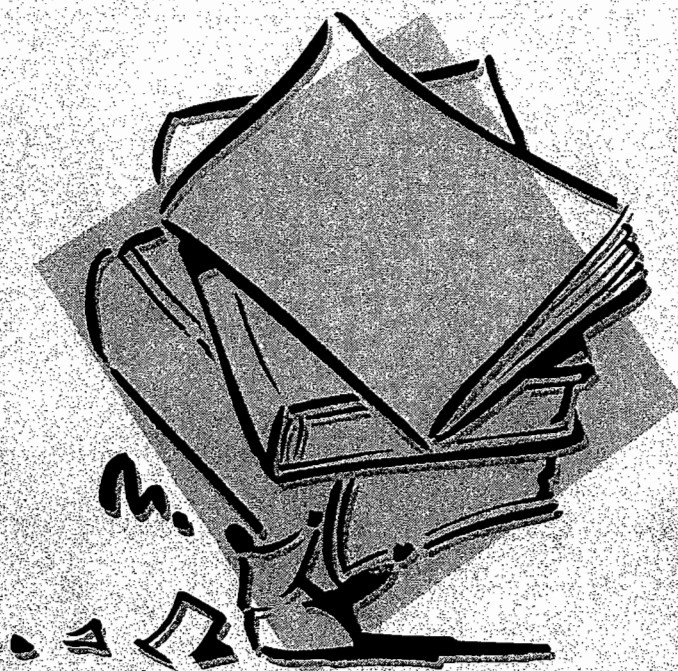


Personal Property Tax Abatement Manual



*State of Indiana
Department of Local Government Finance
Revised October 22, 2004*

*The material enclosed is a reference tool and should be used in conjunction with the
Indiana Code and the Indiana Administrative Code.*

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Introduction

The Personal Property Abatement Manual serves as a guide for county auditors and staff members who handle and process personal property abatements. It is a reference tool and should be used in conjunction with the Indiana Code and Indiana Administrative Code.

Each chapter of the manual covers a procedural step for reviewing personal property abatements and includes all of the steps necessary to complete that phase. A list of Frequently Asked Questions regarding the material covered is at the end of each chapter. A glossary defining many commonly used personal property abatement terms as well as appendices covering the Business Tangible Personal Property Return (Form 103-Long) and sample forms can be found beginning on page 36. It is the intention of the Department of Local Government Finance to provide updates to the Personal Property Abatement Manual as necessary.

Real Estate and Personal Property tax abatements are available within Economic Revitalization Areas, also known as ERA's, of a city, town, or county. These areas are within the corporate limits of a city, town, or county and have become undesirable or can no longer support normal development and occupancy due to lack of development, cessation of growth, or deterioration of improvements.

Abatements are deductions from assessed value that decrease the personal property, or in the case of real estate abatements, real property taxes paid by a taxpayer. These deductions are used as an economic development tool to locate businesses in ERA's. The Department of Local Government Finance currently processes personal property abatements while the county auditor processes real property abatements.

Taxpayers may request a personal property or real estate abatement by applying to the local government body using a Statement of Benefits – Personal Property (Form SB-1/PP) or the form specified by the designating body. If the area has already been established as an ERA and the designating body approves the Statement of Benefits – Personal Property, a resolution is usually passed and Form SB-1/PP is signed. If the area has not been established as an ERA, the designating body must first pass a preliminary resolution and make the necessary findings of fact prior to passing a confirmatory resolution that establishes the area as an ERA. The resolution and/or Form SB-1/PP will indicate the window of the abatement, the abatement term, and the abatement limit, if any. A taxpayer can have a window of two years but have a five-year abatement. This means that in the second year they can install new equipment and have a five-year schedule of deduction from assessed value. The taxpayer must file an application (Form 322 ERA/PPME or Form 322 ERA/PPR&DE) for each year in which they would like to receive the deduction.

The steps and timeline for processing abatements will depend upon the type of property abated. This manual covers the steps necessary to process **personal property tax abatements**. The following timeline can be used as a guide:

<u>Completion date</u>	<u>Step to complete</u>
May 15 ^{th†}	Chapter 1 – Receipt of application
July 1 ^{st*}	Chapter 2 – Verification of application
August 1 st	Chapter 3 – Calculation of personal property abatement
October 1 ^{st*}	Chapter 4 – Taxpayer notification
November 30 ^{th*}	Chapter 5 – Appeal process (45 days after determination issued)
December 31 st	Chapter 6 – Approved abatement deducted from assessed value

* These dates are not statutory but are recommended for timely processing.

† If an extension is granted under IC 6-1.1-3-7(b), applications will be received between May 15th and the extended due date.

Chapter 1 – Receipt of Application

Between March and May of each year, unless an extension was granted under IC 6-1.1-3.7, taxpayers are required to file personal property abatement applications (Form 322 ERA/PPME and Form 322 ERA/PPR&DE) with the county auditor in the county where the personal property is located. The auditor is not required to send notice to the taxpayer reminding them to file a personal property abatement application. However, should this policy change within a county, it may be to an auditor's advantage to notify the taxpayer. At the time of receipt, the auditor's office will stamp the application as received or the auditor will sign in Section 8 (Form 322 ERA/PPME) or Section 7 (Form 322 ERA/PPR&DE). The application should be reviewed as soon as possible to determine if information is missing. Please remember that a taxpayer **CANNOT** be denied the right to file a personal property abatement application, even if it is incomplete. Use the following list as a guide for receiving applications:

FORM 322ERA/PPME or 322ERA/PPR&DE (Application for Deduction from Assessed Valuation)

Sections 4 and/or 5 must be complete and there must be a taxpayer signature. If these sections are not complete, the taxpayer must complete these sections. As a precaution, keep a copy of the application if it is returned to the taxpayer.

All applications processed by the State must have a file-stamped date on the application or the Auditor's signature and date in Section 8 of Form 322 ERA/PPME or Section 7 of Form 322 ERA/PPR&DE.

Business Tangible Personal Property Return (Form 103-Long)

Current and Prior years personal property returns are required. Because utility companies and farmers do not file a Form 103-Long, the taxpayer should submit supporting tax documentation to verify the costs being claimed. If the company just started a business in the current assessment year, it is possible that the taxpayer would not have Form 103-Long from the prior year.

Required schedules for Form 103-Long (if applicable):

- Form 103-P (Claim for Exemption of Air or Water Pollution Control Facilities)

- Form 103-N (Information Return of Not Owned Assessed Personal Property)

- Form 103-O (Information Return of Owned Personal Property)

- Form 103-T (Return of Special Tools)

- Form 106 (Schedules of Adjustments to Business Tangible Personal Property Return)

Statement of Benefits – Personal Property (Form SB-1/PP)

Form SB-1/PP must be an approved copy, which means page 1 must have the taxpayer's signature and page 2 must have signature of the designating body.

Compliance with Statement of Benefits – Personal Property (Form CF-1/PP)

The designating body must sign page 2 in the section titled "FOR THE USE OF THE DESIGNATING BODY". If there are multiple Form SB-1/PPs, a separate Form CF-1/PP must be signed for each Form SB-1/PP unless the designating body passes a resolution stating otherwise.

Statute allows the designating body to waive Form SB-1/PP in select cases (see 50 IAC 10-2-5 for more information) and consolidate Form CF-1/PP (see 50 IAC 10-3-4 for more information) but does not allow the designating body to waive Form CF-1/PP. However, the designating body can pass a resolution for a particular year in lieu of Form CF-1/PP to state the taxpayer is in compliance.

Resolution corresponding to Form SB-1/PP

A taxpayer could have multiple resolutions and multiple Form SB-1/PPs. However, there *should be at least one* resolution per Form SB-1/PP. The easiest way to match the resolution to Form SB-1/PP is to compare the signature date on page 2 of Form SB-1/PP to the signature date on the final page of the resolution.

Equipment list

If the taxpayer has completed Section 3 of Form 322 ERA/PPME or Form 322 ERA/PPR&DE, an itemized equipment list is required. This list must contain a description of the equipment, cost, and installation date(s) (month, day, and year). Typically, a copy of the taxpayer's federal depreciation report for the applicable dates will meet these requirements.

Confidentiality

All assessing officials, employees, and anyone under contract to any assessing official shall maintain the confidentiality of certain information under Indiana Code 6-1.1-35-9. The following list contains those forms submitted each year with the abatement application and what part of those forms, under Indiana Code, is confidential. Please note that the following is a guide and should in no way be used in place of the Indiana Code. For additional information regarding the disclosure of information, please consult the Indiana Public Access Counselor at <http://www.in.gov/pac>.

Statement of Benefits – Personal Property (form SB-1/PP)

Any information concerning the specific salaries paid to individual employees by the property owner and any information concerning the cost of the property is deemed confidential. IC 6-1.1-12.1-5.1

<i>Form SB-1/PP</i>	<i>Confidential?</i>
Section 1	No
Section 2	No
Section 3	Yes Only if specific salaries paid to individual employees shown.
Section 4	Any costs shown are confidential.
Section 5	No
Section 6	No

Compliance with Statement of Benefits – Personal Property (formCF-1/PP)

Any information concerning the specific salaries paid to individual employees by the owner of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment and any information concerning the cost of the new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment is deemed confidential. *IC 6-1.1-12.1-5.6*

<i>Form CF-1/PP</i>	<i>Confidential?</i>
Section 1	No
Section 2	No
Section 3	Yes Only if specific salaries paid to individual employees shown.
Section 4	Yes Any costs shown are confidential. The assessed values displayed are not confidential.
Section 5	No
Section 6	No

Application for Deduction from Assessed Valuation - New Manufacturing Equipment in Economic Revitalization Area (Form 322 ERA/PPME)

All information that is related to earnings, income, profits, losses or expenditures is confidential. If an equipment list is attached to the application, it is confidential as well. *IC 6-1.1-35-9*

<i>Form 322 ERA/PPME</i>	<i>Confidential?</i>
Section 1	No
Section 2	Equipment costs (itemized or total), if present, as well as equipment lists attached, are confidential.
Section 3	Yes
Section 4	No
Section 5	No

Application for Deduction from Assessed Valuation - New Research and Development Equipment in Economic Revitalization Area (Form 322 ERA/PPR&DE)

All information that is related to earnings, income, profits, losses or expenditures is confidential. IC 6-1.1-35-9

<i>Form 322 ERA/PPR&DE</i>	<i>Confidential?</i>
Section 1	No
Section 2	Equipment costs (itemized or total), if present, as well as equipment lists attached, are confidential.
Section 3	Yes
Section 4	No
Section 5	No

Business Tangible Personal Property Return (Form 103-Long)

All information that is related to earnings, income, profits, losses, or expenditures is confidential. IC 6-1.1-35-9

<i>Form 103-Long</i>	<i>Confidential?</i>
Page 1	Yes Only the Summary section at the bottom of the page.
Page 2	Yes
Page 3	Yes
Page 4	Yes

Any supplemental information or forms attached to Form 103-Long that supports the return is subject to the same confidential standard as that for Form 103-Long. Some samples include, but are not limited to:

- Return for Interstate Carriers (Form 103-I)
- Information Return of Not Owned Assessed Personal Property (Form 103-N)
- Information Return of Owned Personal Property (Form 103-O)
- Claim for Exemption of Air or Water Pollution Control Facilities (Form 103-P)
- Return of Special Tools (Form 103-T)
- Return of Personal Property in Warehouses, Grain Elevators or Other Storage Places (Form 103-W)
- Schedules of Adjustments to Business Tangible Personal Property Return (Form 106)
- Business Tangible Personal Property Return (Form 104)
- Any lists, explanations, or values supporting Form 103-Long but not on a previously specified form.

PERSONAL PROPERTY ABATEMENT CHECKLIST

The following is a guide to be used when reviewing the completeness of a personal property abatement application (Form 322 ERA/PPME and Form 322 ERA/PPR&DE):

Form 322ERA/PPME or 322ERA/PPR&DE

Taxpayer signature _____ *Section 7 of Form 322 ERA/PPME or
Section 6 of Form 322 ERA/PPR&DE*
Auditor signature or stamp _____ *Section 8 of Form 322 ERA/PPME or
Section 7 of Form 322 ERA/PPR&DE*

Business Tangible Personal Property Return (Form 103-Long)

Current year _____ Prior year _____

Return of Special Tools (Form 103-T) Necessary only if Line 60 (Tools, dies, jigs, fixtures, etc.) of Form 103-Long is complete

Current year _____ Prior year _____

Statement of Benefits – Personal Property (Form SB-1/PP)

Approved copy (page 2 has signatures) _____

Compliance with Statement of Benefits – Personal Property (Form CF-1/PP)

Approved copy (page 2 has signatures) _____

Resolution

Resolution corresponding to Statement of Benefits _____

To determine the correct resolution for a taxpayer, compare the date the designating body signed page 2 of Form SB-1 to the date the resolution was signed.

Equipment List if necessary

Necessary only if Section 3 of Form 322 ERA/PPME or Form 322 ERA/PPR&DE complete and should include at least month and year equipment installed _____

Late Filing

Date application file-stamped or signed by auditor _____
*Refer to Section 8 of Form 322 ERA/PPME or Section 7 of Form 322
ERA/PPR&DE or date stamped.*

Is this date May 15th or earlier? _____

If after May 15, is an approved extension letter attached? _____

A copy of postmarked envelope is necessary if application is filed with the auditor after the appropriate deadline. Please note that if May 15th falls on a weekend, the application must be postmarked by the next business day.

Companies may provide additional material other than what is listed. At a minimum, a taxpayer must file the information above with the County Auditor.

PERSONAL PROPERTY QUICKCHART

Year	Application Deadline	Application filed with...	Form CF-1/PP Deadline ¹	Form CF-1/PP filed with... ¹	Form SB-1/PP Deadline ²	Form SB-1/PP filed with... ²
1	May 15 th Unless extension granted under IC 6-1.1-3.7. If this date falls on a weekend, the deadline is the next business day.	County Auditor in duplicate	May 15 th Unless extension granted under IC 6-1.1-3.7.	Designating body (County Council, Town Council, etc.) and County Auditor	Must be submitted before the installation of new manufacturing and/or new research and development and/or new logistical distribution and/or new information technology equipment for which the taxpayer desires a deduction. ³	Designating body (County Council, Town Council, etc.)
2	May 15 th Unless extension granted under IC 6-1.1-3.7. If this date falls on a weekend, the deadline is the next business day.	County Auditor in duplicate	May 15 th Unless extension granted under IC 6-1.1-3.7.	Designating body (County Council, Town Council, etc.) and County Auditor	Must be submitted before the installation of new manufacturing and/or new research and development and/or new logistical distribution and/or new information technology equipment for which the taxpayer desires a deduction. ³	Designating body (County Council, Town Council, etc.)
3	May 15 th Unless extension granted under IC 6-1.1-3.7. If this date falls on a weekend, the deadline is the next business day.	County Auditor in duplicate	May 15 th Unless extension granted under IC 6-1.1-3.7.	Designating body (County Council, Town Council, etc.) and County Auditor	Must be submitted before the installation of new manufacturing and/or new research and development and/or new logistical distribution and/or new information technology equipment for which the taxpayer desires a deduction. ³	Designating body (County Council, Town Council, etc.)
4	May 15 th Unless extension granted under IC 6-1.1-3.7. If this date falls on a weekend, the deadline is the next business day.	County Auditor in duplicate	May 15 th Unless extension granted under IC 6-1.1-3.7.	Designating body (County Council, Town Council, etc.) and County Auditor	Must be submitted before the installation of new manufacturing and/or new research and development and/or new logistical distribution and/or new information technology equipment for which the taxpayer desires a deduction. ³	Designating body (County Council, Town Council, etc.)
5	May 15 th Unless extension granted under IC 6-1.1-3.7. If this date falls on a weekend, the deadline is the next business day.	County Auditor in duplicate	May 15 th Unless extension granted under IC 6-1.1-3.7.	Designating body (County Council, Town Council, etc.) and County Auditor	Must be submitted before the installation of new manufacturing and/or new research and development and/or new logistical distribution and/or new information technology equipment for which the taxpayer desires a deduction. ³	Designating body (County Council, Town Council, etc.)
6	May 15 th Unless extension granted under IC 6-1.1-3.7. If this date falls on a weekend, the deadline is the next business day.	County Auditor in duplicate	May 15 th Unless extension granted under IC 6-1.1-3.7.	Designating body (County Council, Town Council, etc.) and County Auditor	Must be submitted before the installation of new manufacturing and/or new research and development and/or new logistical distribution and/or new information technology equipment for which the taxpayer desires a deduction. ³	Designating body (County Council, Town Council, etc.)
7	May 15 th Unless extension granted under IC 6-1.1-3.7. If this date falls on a weekend, the deadline is the next business day.	County Auditor in duplicate	May 15 th Unless extension granted under IC 6-1.1-3.7.	Designating body (County Council, Town Council, etc.) and County Auditor	Must be submitted before the installation of new manufacturing and/or new research and development and/or new logistical distribution and/or new information technology equipment for which the taxpayer desires a deduction. ³	Designating body (County Council, Town Council, etc.)
8	May 15 th Unless extension granted under IC 6-1.1-3.7. If this date falls on a weekend, the deadline is the next business day.	County Auditor in duplicate	May 15 th Unless extension granted under IC 6-1.1-3.7.	Designating body (County Council, Town Council, etc.) and County Auditor	Must be submitted before the installation of new manufacturing and/or new research and development and/or new logistical distribution and/or new information technology equipment for which the taxpayer desires a deduction. ³	Designating body (County Council, Town Council, etc.)
9	May 15 th Unless extension granted under IC 6-1.1-3.7. If this date falls on a weekend, the deadline is the next business day.	County Auditor in duplicate	May 15 th Unless extension granted under IC 6-1.1-3.7.	Designating body (County Council, Town Council, etc.) and County Auditor	Must be submitted before the installation of new manufacturing and/or new research and development and/or new logistical distribution and/or new information technology equipment for which the taxpayer desires a deduction. ³	Designating body (County Council, Town Council, etc.)
10	May 15 th Unless extension granted under IC 6-1.1-3.7. If this date falls on a weekend, the deadline is the next business day.	County Auditor in duplicate	May 15 th Unless extension granted under IC 6-1.1-3.7.	Designating body (County Council, Town Council, etc.) and County Auditor	Must be submitted before the installation of new manufacturing and/or new research and development and/or new logistical distribution and/or new information technology equipment for which the taxpayer desires a deduction. ³	Designating body (County Council, Town Council, etc.)

* An "Application" is Form 322 ERA/PPME or Form 322 ERA/PPR&DE, include any attachments as requested in the instruction.
¹ Form CF-1/PP is called the Compliance with Statement of Benefits - Personal Property and can be found at <http://www.in.gov/cpr/webfile/formsdiv/dlgf.html>.
² Form SB-1/PP is called the Statement of Benefits - Personal Property and can be found at <http://www.in.gov/cpr/webfile/formsdiv/dlgf.html>.
³ Only one Form SB-1/PP is needed per project. This form is not filed annually unless a new project is initiated annually.

The Personal Property Quick Chart is for reference only and does not supersede the Indiana Code or the Indiana Administrative Code.

Frequently Asked Questions

- Q: A resolution establishing an ERA was passed in March 2003. The Statement of Benefits – Personal Property (Form SB-1/PP) for the installation of new manufacturing equipment was signed/passed at the same time. The new equipment was installed in December 2003. When is the filing deadline for this taxpayer?
- A: This taxpayer installed new equipment in the assessment year ending March 1, 2004. This means the first filing deadline for Form 322 ERA/PPME is May 15, 2004 or, if an extension was granted under IC 6-1.1-3.7, between May 15, 2004 and June 14, 2004.
- Q: What schedules attached to Form 103-Long (Business Tangible Personal Property Return) would be helpful processing of Form 322 ERA/PPME or Form 322 ERA/PPR&DE?
- A: The following is a list of the schedules that could be filed with Form 103 Long:
- Form 103-P (Claim for Exemption of Air or Water Pollution Control Facilities)
 - Form 103-N (Information Return of Not Owned Assessed Personal Property)
 - Form 103-O (Information Return of Owned Personal Property)
 - Form 103-I (Return for Interstate Carriers)
 - Form 103-W (Return of Personal Property in Warehouses, Grain Elevators or Other Storage Places-Claimed to be Exempt from Assessment)
 - Form 103-T (Return of Special Tools)
 - Form 106 (Schedules of Adjustments to Business Tangible Personal Property Return)

It is always recommended that the taxpayer submit a complete Form 103 Long, including all necessary attachments, with their application. However, the only schedules commonly used to process a personal property abatement application are as follows:

- Form 103-P (Claim for Exemption of Air or Water Pollution Control Facilities)
- Form 103-N (Information Return of Not Owned Assessed Personal Property)
- Form 103-O (Information Return of Owned Personal Property)
- Form 103-T (Return of Special Tools)
- Form 106 (Schedules of Adjustments to Business Tangible Personal Property Return)

- Q: Is an equipment list required on any portion of the claim that is reported as "Special Tooling" on Form 103-T?
- A: According to 50 IAC 4.2-6-2 "Special Tooling" is defined as "...tools, dies, jigs, fixtures, gauges, molds, and patterns acquired or made for the production of products or product models which are of such specialized nature that their utility generally ceases with the modification or discontinuance of such products or product models." By definition, "Special Tooling" is qualifying machinery and equipment for abatement purposes. Provided the taxpayer is reporting "Special Tooling" correctly on Form 103-T, all tooling qualifies for abatement, if requested by the taxpayer in Section 3 of Form 322 ERA/PPME. Therefore, an equipment list inclusive of "Special Tooling" is not required but it would not be unreasonable to make such a request if questions arose.
- Q: Is the auditor required to mail to each taxpayer who received a personal property tax abatement in the prior year the required forms to be filed for continuing the abatement? Form example, Form CF-1/PP, Form 322 ERA/PPME, etc.
- A: We can find no statute that requires the county auditor to mail abatement application forms. However, it may be helpful to have the forms available to taxpayers in the Auditor's office. It is the opinion of the DLGF that it is the taxpayer's responsibility to file a timely application.
- Q: What can the Department of Local Government Finance do to help us hold town councils more accountable in the wholesale granting of abatements and creating TIF districts? We have a \$3.5 million abatement in our small county and \$3.2 million is in one town. They are now thinking about a TIF district.
- A: Abatements are approved on the local level with power granted under IC 36-1-3 and as long as the appropriate council is adhering to the requirements of IC 6-1.1-12.1, the Department of Local Government Finance has no authority to control the number of abatements granted in a particular county.
- Q: A company in the county is granted tax abatement for 10 years. The company doesn't comply with the Statement of Benefits because of under employment of people. Is there any other penalty that can be assessed by the designating body other than the denial of continuing tax abatement?
- A: No, not that the Department of Local Government Finance is aware of.
- Q: When is the filing deadline when it falls on a weekend?
- A: The filing deadline is the next business day. For example, May 15, 2004 fell on a Saturday so the filing deadline was Monday, May 17, 2004. This also applies to the extended due date as granted under IC 6-1.1-3-7(b).

- Q: Where can a taxpayer get the forms they need to file an abatement?
- A: Most, if not all, of the forms a taxpayer will need can be found on the Department of Local Government Finance web site, at www.in.gov/dlgf. It may also be helpful if the County Auditor's Office made the forms available as well.
- Q: Is an extension for filing a Business Tangible Personal Property Return (Form 103-Long) always (30) days?
- A: No. IC 6-1.1-3-7(b) states that a township trustee/assessor may grant an extension to file Form 103-Long up to (30) days.
- Q: Is the prior year Form 103-Long required when the company is in its first year of business?
- A: No. If this is the first year in business the company will not have a Form 103-Long for the prior year. However, it would be a helpful reminder for the taxpayer to note this information on the current year Form 103-Long.

Chapter 2 – Verification of Application

By May 15th (or the extension date as granted under IC 6-1.1-3-7(b)) of each year, the county will receive all personal property abatement applications (Form 322 ERA/PPME and Form 322 ERA/PPR&DE) for that assessment year. The list of items below should be noted when verifying an application. If the application does not meet the requirements listed, either a request for information should be sent to the taxpayer, or the application should be processed with the information on hand. A recommended course of action has been listed after each item.

Statement of Benefits – Personal Property (Form SB-1/PP)

The county auditor may want to require a new Form SB-1/PP and/or amended resolution if the cost estimate on Form SB-1/PP is exceeded by more than 5%.

Form SB-1/PP can limit the length of the designation. Review page 2 Section A of Form SB-1/PP to determine the length of the designation. If Section A is blank, it is assumed there is not an expiration date unless specified in the resolution. For example, if a designation is limited to three years, the taxpayer can only install qualifying equipment in that three-year period but can have an abatement schedule of up to ten years.

Form SB-1/PP can also limit the amount of the abatement. Review page 2 Sections C thru F of Form SB-1/PP to determine the limitation. If these sections are blank, it is assumed there is not a limitation unless specified in the resolution.

Section H of Form SB-1/PP lets the designating body clarify the abatement schedule. It is suggested this section be completed when Form SB-1/PP is approved.

Resolution

The county auditor's office should read the resolution carefully to determine if the designation has an expiration date, the length of the abatement schedule approved, and any other instructions.

If the designation has expired, the taxpayer is no longer eligible for an abatement on newly installed qualifying equipment. However, the taxpayer may still be receiving a deduction from assessed valuation based on the abatement schedule already in place.

The resolution should indicate the number of years (1 through 10) the taxpayer is entitled to a deduction from assessed value. Under IC 6-1.1-12.1-5.4(c) "if a determination about the number of years the deduction is allowed has not been made in the resolution...the county auditor shall send a copy of the deduction application to the designating body, and the designating body shall adopt a resolution".

Equipment List

Review the equipment list carefully prior to processing. All of the equipment listed must qualify as abatable equipment. The list must contain a description of the equipment, cost, and installation date(s) (month, day, and year). Please refer to the terms "qualifying machinery and equipment", "qualifying research and development equipment", "Qualifying logistical distribution equipment", and "qualifying information technology equipment" in the Glossary for more information. If it cannot be determined whether or not the equipment is abatable, the county auditor may wish to issue a recommendation without the questionable equipment, which triggers the taxpayer to supply additional information via a written response. Should questions arise, please contact the Assessment Division field representative for the county for further assistance.

Late Filing

All applications must have a file-stamped date on the application or the Auditor's signature and date in Section 8 of Form 322 ERA/PPME or Section 7 of Form 322 ERA/PPR&DE. The deadline for filing Form 322 ERA/PPME and Form 322 ERA/PPR&DE is May 15th or the extension date as granted under IC 6-1.1-3-7(b). If an extension is given, a copy of the approved extension letter must be included with the application.

A general reassessment of real property does not affect personal property. Therefore, a taxpayer should not be precluded from filing an application in a timely manner.

**Late Filing Enclosure
Form 322 ERA/PPXX**

In accordance with case law, the County Auditor may consider a late-filed application for the economic revitalization area deduction for new manufacturing equipment. State Board of Tax Commissioners of Indiana v. New Energy Company of Indiana, 585 N.E.2d38 (Ind. App. 1992) and 50 IAC 10-4-2. In exercising its discretion, the Auditor should consider the totality of the facts and circumstances in determining whether or not to approve a late-filed deduction application. Such considerations may be based on one or more of the following factors:

1. Whether the failure to timely file the deduction application resulted from an act of God, or from the death or serious illness of the person principally responsible for filing of the deduction application. (To the extent possible, the taxpayer should provide documentary evidence supporting its contention.)
2. Whether the approval of the late-filed deduction application would result in the loss of property tax revenues to the taxing units affected by the deduction. (The taxpayer should submit a written statement signed by the County Auditor stating whether approval would result in the loss of tax revenues.)
3. Whether a public official gave misleading information to the taxpayer that was the proximate cause of the late filing, and whether it was reasonable for the taxpayer to rely on that misleading information. (To the extent possible, the taxpayer should provide documentary evidence supporting its contention.)
4. Whether the lapse between the filing deadline and the date on which the deduction application was actually filed would have prevented local officials from accurately determining the assessed value for budget, rate, and levy purposes.
5. Where there is substantial evidence that local officials support the approval of the late-filed application, even if such approval would result in a loss in tax revenues. The taxpayer should provide written documentary evidence including written statements from local officials, including the designating body, indicating support for the approval of the deduction application, notwithstanding the fact that the deduction application was filed late. (Taxpayer must have the support of the designating body in order for the late filed deduction application to be approved. Please refer to sample letter on following page.)
6. Whether the late filing was not due to taxpayer's negligence.
7. Any other factor that the Department considers relevant.

[Date]

**RE: Late Filed Application for the Economic Revitalization Area Deduction for
New Manufacturing Equipment (Form 322 ERA/PPXX) installed by
[Taxpayer Name]**

Dear County Auditor:

The purpose of this letter is to support the approval of the late filed application submitted by [Taxpayer Name] for the economic revitalization area deduction for new manufacturing equipment.

The [City/County] encourages and promotes economic development through tax abatement incentives. The [City/County] has assisted [Taxpayer Name] on various occasions throughout the tax abatement process. The city/county understands that by approving this late request, a loss in tax revenues may result.

The [City/County] has discussed this matter with [Taxpayer Name]. In conclusion, the company has sufficiently justified their late filing. A verbal commitment has been made by the company to prevent this from occurring in the future. The [City/County] will continue to assist [Taxpayer Name] emphasizing the necessity to timely file all applications.

Whereas, the [Mayor/Commissioner], the [Council President], and the [City/County Planner] have reviewed the matter and hereby authorize the Department of Local Government Finance to consider this application as submitted.

[Mayor/Commissioner]

[Council President]

[City/County Planner]

Frequently Asked Questions

- Q: What if Form 322 ERA/PPME or Form 322 ERA/PPR&DE is filed after May 15th or the approved extension date?
- A: If the taxpayer qualifies under at least one of the seven factors on the LATE FILINGS ENCLOSURE and has approval from the designating body, a late-filed application may be considered. Please note that the seven factors only apply to personal property abatements.
- Q: A request for information for a missing equipment list is sent to the taxpayer and a response is not received. What next?
- A: It will be up to each county to determine if a 2nd request for an equipment list is sent to the taxpayer. If the application cannot be processed with the information on hand, a zero recommendation may be necessary.
- Q: An equipment list submitted refers to "Ca.-FrghT/Tech/Travel". How could this be abated?
- A: Overhead costs necessary for the initial set-up of machinery in production in Indiana is considered part of the starting costs on Form 103-Long and is, therefore, considered part of the equipment cost. If it is part of the equipment cost, then, it is abatable. If the county auditor is unsure whether or not the equipment is abatable, it is suggested a recommendation excluding the questionable equipment be sent to the taxpayer. Another option is to contact the Assessment Division field representative for the county for further assistance.
- Q: What happens when a company that has a personal property abatement changes hands or is taken over?
- A: A change in ownership does not affect a personal property abatement, as long as the new owner is found in compliance and files the required application in a timely manner. Please see IC 6-1.1-12.1-5.4 for more information.
- Q: Does Form SB-1/PP have to be used/filed?
- A: In rare instances, the designating body can pass a resolution in lieu of Form SB-1/PP. Please see IC 6-1.1-12.1-5.8 for additional information.
- Q: Can the designating body retroactively approve a Statement of Benefits – Personal Property (Form SB-1/PP)? Meaning, can a designating body approve a Statement of Benefits now for qualifying equipment installed a year ago?

- A: Though limited, the designating body can retroactively approve a Statement of Benefits – Personal Property. Please see IC 6-1.1-12.1-10 for more information.
- Q: Can a personal property abatement be terminated? If so, how?
- A: A designating body may find cause to terminate a personal property abatement if the taxpayer is not in compliance (see IC 6-1.1-12.1-5.9 for more information). If a resolution is passed terminating the abatement, it will apply immediately. For example, if the taxpayer is found not in compliance on 12/15/2003 for the abatement application filed as of the March 1, 2003 (2003 pay 2004) assessment year, the revocation will affect the abatement deductions on the 2004 installments.
- Q: How is the abatement effected if the company goes out of business?
- A: If the business is no longer in operation and if no Form 103-Long is filed, then no taxes are paid and there is nothing to abate.
- Q: The County granted a taxpayer an abatement and now they realize the taxpayer is within the city limits? What happens?
- A: The County and the city would have to get together and decide how to proceed. While the Department of Local Government Finance processes personal property abatements, we would suggest a resolution be passed by the City to clarify the position with regards to the abatement.
- Q: If a city denies an Economic Revitalization Area designation request, can a county overrule the decision and grant the designation?
- A: No. If a request for an ERA designation is denied, the taxpayer must file a written remonstrance with the designating body and within ten (10) days after that final action and initiate an appeal of that action by filing in the office of the clerk of the circuit or superior court a copy of the order of the designating body and his remonstrance against that order, along with his bond conditioned to pay the costs of his appeal if the appeal is determined against him. For additional information refer to IC 6-1.1-12.1-2.5(d) and (e).

Chapter 3 – Calculation of Personal Property Abatement

By the end of July all personal property abatement applications have been received and verified for completeness. On or before August 1st of each year, the county auditor is required to certify the net assessed value of property in each taxing district to the Department of Local Government Finance and each taxing unit in the county. The purpose of the Auditor's Certificate of Net Assessed Value is to provide the tax base for taxes due and payable in the ensuing year.

It is the county auditor's responsibility to prepare the Auditor's Certificate of Net Assessed Value. To do this, the county auditor must determine the gross assessed value of both personal and real property in each taxing district from information provided by the county assessor. The county auditor then applies exemptions and deductions (i.e. abatements, mortgage, homestead, over 65, blind or disabled, and veteran's service connected disability deduction, etc.). The removal of exemption and deduction assessed values determines the tax base in each taxing district that ultimately provides the net assessed value to calculate property tax rates for the various funds.

Because the assessed value of abated property is the value that is removed from the property tax rolls, an error in the calculation of the abatement amount could result in levy excess or a shortfall for taxing units. Calculating personal property and real property abatements is one of the most critical components of the certification process. As a practice, it may be helpful to copy the local township assessors on the values approved for deduction.

NOTE: Per IC 6-1.1-12.1-5.4, once the deduction amount has been approved, the auditor must notify the county property tax assessment board of appeals of all deductions.

Following is a step-by-step sample for Square Peg Corporation for equipment installed in the March 1, 2001 and March 1, 2004 assessment years (please refer to the insert). Depending on the number of abatements in a county, there could be many variations on this example. The taxpayer was granted 5 and 10- year abatement schedules, and installed the following:

Installation Date	Description	Cost
12/14/2000	200-ton press	\$15,000
01/31/2004	Cardboard box manufacturing machine	\$87,463

The equipment installed in the 2001 pay 2002 assessment year has a "current year limit" of \$16,000 was assessed at 40% in its first year.

Deductions for equipment installed March 1, 2001 and prior are calculated using the lesser of the true tax value (TTV) of the abatable equipment in its first year or the

“current year limitation”. This is sometimes also referred to as the “first year limit” and states that the amount of the abatement deduction cannot exceed the increase in investment from the prior year. The “current year limit” is established in the first year of an abatement and will hold for the life of the abatement.

Step 1: Determine the lesser of the “current year limit” or the prior year qualifying equipment true tax value in its first year.

“Current year limit” = \$16,000

Qualifying equip TTV = \$15,000 X 40% = \$6,000

Please note that the “current year limit” has already been established for taxpayers by the DLGF and this information will be given to the applicable counties when abatements are transferred to county auditors.

Step 2: Determine the abatement schedule of the prior year equipment.

Review the Statement of Benefits (Form SB-1) and find the date approved (signature date on page 2 of Form SB-1). Form SB-1 covering the equipment installed in December 2000 for Square Peg Corporation was signed on 12/22/1999.

Verify the date the ERA was designated. This is the date the resolution establishing the ERA was signed. According to Resolution No. R-23-1999 the ERA was designated in resolution R-5-1999.

The Abatement Deduction Schedule for the Year 5 deduction percentage, based on this information, is 50%.

Step 3: Calculate the abatement deduction for the prior year equipment.

The abatement deduction is the product of the deduction percentage multiplied by the value established in Step 1, which is the lesser of the “current year limit” or the qualifying equipment true tax value in its first year.

For assessment years 2001 pay 2002 and after, the Assessed Value (AV) is equal to the True Tax Value (TTV).

Abatement Deduction = Deduction percentage X “Lesser of” value

Abatement Deduction = 50% X \$6,000 = \$3,000

Now that the deduction for the prior year equipment has been determined, it is time to move on to the equipment installed in the current year, the March 1, 2004 assessment year.

Step 4: Determine if the abatement on the equipment installed in the current year is limited in any way.

First, check to see if the designation has expired. This can be verified on page 2 line A of Form SB-1/PP or in the resolution. According to Form SB-1/PP, the designation does not expire until 01/06/2005.

Second, see if the abatement is limited. Since the abatement granted was for manufacturing equipment, this can be confirmed on line C page 2 of Form SB-1/PP. If this line is blank, assume there is no limitation.

Step 5: Determine the cost of the qualifying equipment installed in the current year.

The total cost is shown on the equipment list and in sections 3 of Form 322 ERA/PPME. Square Peg Corporation installed a cardboard box-manufacturing machine at \$87,463 cost on 01/31/2004.

Step 6: Calculate the True Tax Value (TTV) of the qualifying equipment installed in the current year.

First determine the pool. Section 3 line 1B of Form 322 ERA/PPME shows the equipment is in pool no. 2. This is verified by noting that the equipment was installed on 01/31/2004 (part of the 03/01/2004 assessment year). Confirm that at least \$87,463 in adjusted cost is on line 19 and/or 20 of the pooling schedule (Schedule A (page 3) of Form 103-Long). The True Tax Value (TTV) of the qualifying equipment is the following:

$$\text{True Tax Value (TTV)} = \text{adjusted cost} \times \text{TTV\%}$$

$$\text{TTV} = \$87,463 \times 40\% = \$34,985$$

Step 7: Calculate the assessed value of the qualifying equipment installed in the current year.

For assessment years 2001 pay 2002 and after, the Assessed Value (AV) is equal to the True Tax Value (TTV).

$$\text{Assessed Value (AV)} = 100\% \times \text{TTV}$$

$$\text{AV} = 100\% \times \$34,985 = \$34,985$$

Step 8: Determine the abatement schedule.

Review the Statement of Benefits – Personal Property and find the date approved (signature date on page 2 of Form SB-1/PP). Form SB-1/PP for Square Peg Corporation was signed on 01/06/2004.

Verify the date the ERA was designated. This is the date the resolution establishing the ERA was signed. The resolution establishing the ERA was R-12-2003.

The Abatement Deduction Schedule for the Year 1 deduction percentage, based on this information, is 100%.

Step 9: Calculate the abatement deduction.

The abatement deduction is the deduction percentage multiplied by the assessed value of the qualifying equipment.

$$\text{Abatement Deduction} = \text{Deduction percentage} \times \text{Qualifying equip AV}$$

$$\text{Abatement Deduction} = 100\% \times \$34,985 = \$34,985$$

Step 10: Calculate the total abatement deduction for the March 1, 2004 assessment year.

$$\text{Total deduction} = \text{prior years' deduction} + \text{current year deduction}$$

$$\text{Total deduction} = \$3,000 + \$34,985 = \$37,985$$

**APPLICATION FOR DEDUCTION FROM ASSESSED VALUATION
New Manufacturing Equipment in Economic Revitalization Area**

State Form 19338 (R13 / 3-04)

Prescribed by the Department of Local Government Finance

The records in this series are **CONFIDENTIAL** according to IC 6-1.1-35.9**MARCH 2004****FORM
322 ERA/PPME****INSTRUCTIONS:**

1. This form is to be filed with the Auditor of the county in which "New Manufacturing Equipment" is located (IC 6-1.1-12.1).
2. This form is to be filed between March 1 and May 15 of each year, unless a filing extension under IC 6-1.1-3.7 has been granted. A person who obtains a filing extension must file the form between March 1 and the extended due date of each year.
3. A deduction application must be filed in the year the new manufacturing equipment is installed and in each of the immediately succeeding years to obtain the full tax abatement which is available for each new layer of investment.
4. Attach copies of the current year and immediately preceding year **BUSINESS TANGIBLE PERSONAL PROPERTY ASSESSMENT RETURN (Form 103)**.
5. A copy of the **STATEMENT OF BENEFITS (Form SB-1)** signed by the designating body must be attached to this application.
6. Form CF-1 **MUST** be filed with this application and the designating body showing compliance for all **STATEMENT OF BENEFITS** approved after June 30, 1991. (IC 6-1.1-12.1-5.6)
7. A copy of the resolution must be attached to this application.
8. Please see IC 6-1.1-12.1 and 50 IAC 4.2-13 for further information.
9. Property claimed for this deduction may not be claimed for any other deductions. IC 6-1.1-12.1-6.

SECTION 1 TAXPAYER INFORMATION		
Name of taxpayer SQUARE PEG CORPORATION		
Full address (street and number, city, state and ZIP code) 111 GARDEN STREET, TAXTOWN, IN 47888		
County COUNTY R	Township TULIP	Taxing district GARDEN
Name of contact person C. BOX		Telephone number (888) 888-8888

SECTION 2 ECONOMIC REVITALIZATION AREA DESIGNATION APPROVAL		
The owner hereby applies to the County Auditor, pursuant to IC 6-1.1-12.1, for a deduction from the assessed valuation on the following "New Manufacturing Equipment" effective March 1, 2004.		
Name of body designating the economic revitalization area COUNTY R COUNTY COUNCIL		Resolution number R-1-2004 R-2-2000
Date designation approved (month, day, year) 10/11/00	Date designation will terminate (month, day, year) 1/10/05	Does resolution limit dollar amount of deduction? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Description of equipment (use additional sheets if necessary) VARIOUS - SEE ATTACHED		Date installed (month, day, year) 1/31/04
		Cost \$ 102,463.00

SECTION 3 THIS SECTION MUST ONLY INCLUDE ELIGIBLE EQUIPMENT INSTALLED BETWEEN THE PRIOR ASSESSMENT DATE AND THE CURRENT ASSESSMENT DATE		
1. QUALIFIED CURRENT YEAR ACQUISITIONS	Cost Claimed	True Tax Value (TTV)
A. POOL NO. 1, Line 13 and 14	\$	\$
B. POOL NO. 2, Line 19 and 20	87,463.00	34,985.00
C. POOL NO. 3, Line 28 and 29		
D. POOL NO. 4, Line 41 and 42		
2. TOTAL POOL TRUE TAX VALUE (TTV) (add A through D)		\$ 34,985.00
3. TOTAL TRUE TAX VALUE (TTV) AT 30% OF COST (if Line 58, Schedule A, Form 103 applies)		\$
4. OTHER (TTV OF CURRENT YEAR "SPECIAL TOOLING") (Form 103-T, Line 2)		\$ 0.00
5. TOTAL TRUE TAX VALUE (Line 2 or Line 3 (if 3 applies) plus 4)		\$ 34,985.00
6. ASSESSED VALUE AT 100% TTV OF LINE 5		34,985.00
7. CURRENT YEAR TRUE TAX VALUE (TTV) (Line 66 Schedule A, minus Line 59 Schedule A)		\$ 49,838.00
8. ASSESSED VALUE OF CURRENT YEAR (100% of Line 7)		\$
9. LIMIT ON AMOUNT OF ABATEMENT STATED IN RESOLUTION (if applicable)		\$
10. AMOUNT OF DEDUCTION CLAIMED (lesser of Line 5 or 9)		\$ 34,985.00

CURRENT YEAR AS WELL AS PRIOR YEAR RETURNS MUST BE ATTACHED TO THIS APPLICATION

SECTION 4 - This section is to be used by manufacturers who are in ERA's designated and who have filed SB-1's prior to July 1, 2000.

SUMMARY OF CLAIMS (prior years approved claims adjusted plus current years claim)

10 Year Abatement

	CURRENT YEAR	20 ____	20 ____	20 ____	20 ____	19 ____	19 ____	19 ____	19 ____	TOTALS
Assessed Value Approved *										
x Abatement Percent	100%	95%	90%	85%	80%	70%	55%	40%	30%	25%
Amount Claimed										

5 Year Abatement

	CURRENT YEAR	20 03 ____	20 02 ____	20 01 ____	20 00 ____	TOTALS
Assessed Value Approved *				6,000.00		
x Abatement Percent	100%	95%	80%	65%	50%	
Amount Claimed				3,900.00		3,900.00

SECTION 5 - This section is to be used by manufacturers who: 1) are in ERA's designated and who have filed SB-1's on or after July 1, 2000 or 2) are in ERA's designated prior to July 1, 2000 who have filed SB-1's on or after July 1, 2000. NOTE: Those who meet the criteria of number 2 may only claim a 5 or 10 year abatement.

SUMMARY OF CLAIMS (prior years approved claims adjusted plus current years claim)

10 Year Abatement

	CURRENT YEAR	20 03 ____	20 02 ____	20 01 ____	TOTALS
Assessed Value Approved *	34,985.00				
x Abatement Percent	100%	90%	80%	70%	
Amount Claimed	34,985.00				34,985.00

9 Year Abatement

	CURRENT YEAR	20 ____	20 ____	20 ____	TOTALS
Assessed Value Approved *					
x Abatement Percent	100%	88%	77%	66%	
Amount Claimed					

SECTION 5 - This section is to be used by manufacturers who: 1) are in ERA's designated and who have filed SB-1's on or after July 1, 2000 or 2) are in ERA's designated prior to July 1, 2000 who have filed SB-1's on or after July 1, 2000. NOTE: Those who meet the criteria of number 2 may only claim a 5 or 10 year abatement.

8 Year Abatement

	CURRENT YEAR	20 ____	20 ____	20 ____	TOTALS
Assessed Value Approved *					
x Abatement Percent	100%	88%	75%	63%	
Amount Claimed					

7 Year Abatement

	CURRENT YEAR	20 ____	20 ____	20 ____	TOTALS
Assessed Value Approved *					
x Abatement Percent	100%	85%	71%	57%	
Amount Claimed					

6 Year Abatement

	CURRENT YEAR	20 ____	20 ____	20 ____	TOTALS
Assessed Value Approved *					
x Abatement Percent	100%	85%	68%	50%	
Amount Claimed					

5 Year Abatement

	CURRENT YEAR	20 ____	20 ____	20 ____	TOTALS
Assessed Value Approved *					
x Abatement Percent	100%	80%	60%	40%	
Amount Claimed					

4 Year Abatement

	CURRENT YEAR	20 ____	20 ____	20 ____	TOTALS
Assessed Value Approved *					
x Abatement Percent	100%	75%	50%	25%	
Amount Claimed					

* See NOTE on page 4.

SECTION 5 - This section is to be used by manufacturers who: 1) are in ERA's designated and who have filed SB-1's on or after July 1, 2000 or 2) are in ERA's designated prior to July 1, 2000 who have filed SB-1's on or after July 1, 2000.
NOTE: Those who meet the criteria of number 2 may only claim a 5 or 10 year abatement.

3 Year Abatement			
	CURRENT YEAR	20 ____	20 ____
Assessed Value Approved *			TOTALS
x Abatement Percent	100%	66%	33%
Amount Claimed			

2 Year Abatement			
	CURRENT YEAR	20 ____	TOTALS
Assessed Value Approved *			
x Abatement Percent	100%	50%	
Amount Claimed			

1 Year Abatement			
	CURRENT YEAR	TOTALS	
Assessed Value Approved *			
x Abatement Percent	100%		
Amount Claimed			

SECTION 6 USE OF EQUIPMENT CLAIMED

Is any of the equipment claimed being used to dispose of hazardous waste by converting it into a useful product? ☐ Yes ☒ No
If Yes, has the taxpayer been convicted of a violation under IC 13-7-13-3 or IC 13-7-13-4; or subject to an order or a consent decree for property located in Indiana? ☐ Yes ☒ No

SECTION 7 TAXPAYER SIGNATURE

I hereby certify that the representations on this application are true and correct.
Authorized signature *Carload Box* Title *President* Date signed *5/13/2004*

SECTION 8 AUDITOR SIGNATURE

Date certification filed
Signature of County Auditor *[Signature]* Date signed *5/13/2004*

Send duplicate copy to the Department of Local Government Finance within ten (10) days of receipt.

* See NOTE.

NOTE

For equipment installed **March 1, 2001 and prior:**

Assessed Value Approved = 100% X True Tax Value (TTV)

TTV = Adjusted Cost of Abatable Equipment

X
First Year TTV% from Form 103 Schedule A (lines 14, 20, 29, or 42)

* If equipment resides in multiple pools, calculate the Assessed Valued Approved for each pool.

For equipment installed **March 2, 2001 and after:**

Assessed Value Approved = 100% X True Tax Value (TTV)

TTV = Adjusted Cost of Abatable Equipment

X
Current Year TTV% from Form 103 Schedule A

* If equipment resides in multiple pools, calculate the Assessed Valued Approved for each pool.

**Square Peg Corporation
Tulip Township - County R
March 1, 2001 Assessment Year**

Installation Date	Equipment	Cost
12/14/2000	200-ton press	\$ 15,000
TOTAL M&E COST REQUESTED		\$ 15,000

**Square Peg Corporation
Tulip Township - County R
March 1, 2004 Assessment Year**

Installation Date	Equipment	Cost
1/31/2004	Cardboard box manufacturing machine	\$ 87,463
TOTAL M&E COST REQUESTED		\$ 87,463

RESOLUTION NO. R-1-2004

**A RESOLUTION OF THE COUNTY COUNCIL OF
COUNTY R OF TAXTOWN, INDIANA APPROVING
A STATEMENT OF BENEFITS AND ESTABLISHING THE PERIOD FOR
NEW MANUFACTURING EQUIPMENT DEDUCTIONS
FOR SQUARE PEG CORPORATION
FOR PURPOSES OF TAX ABATEMENT**

WHEREAS, the County Council of County R, Indiana had, pursuant to IC 6-1.1-12.1-1 et seq. and resolution R-12-2003 established a program of personal property tax abatement within one or more defined "economic revitalization areas"; and

WHEREAS, the aforementioned company has submitted a request for tax abatement in the form of a Statement of Benefits for consideration by the County Council of County R, Indiana; and

WHEREAS, the County Council of County R, Indiana has considered and found that the estimated jobs to be retained, and the estimate of annual salaries, and the estimated value of the new manufacturing equipment can reasonably be expected to result from the project and

WHEREAS, the county auditor and/or Department of Local Government Finance require notification of the period of time provided pursuant to IC 6-1.1-12.1-5 as specified by the County Council.

NOW, THEREFORE, BE IT RESOLVED by the County Council of County R, Indiana, that the request for tax abatement is hereby approved, and that the amount of the deduction, which the aforementioned property owner is entitled to, received pursuant to IC 6-1.1-12.1-5 is as follows:

New Manufacturing Equipment (Personal Property)

Pursuant to IC 6-1.1-12.1-4.5 the percentages shall be those provided for a period of ten (10) years.

DULY ADOPTED BY THE COUNTY COUNCIL OF COUNTY R, INDIANA and certified this the 6th day of January 2004.

ATTEST:



JANE E. DOE, COUNCIL PRESIDENT



Larry Smith, County Auditor



STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (5-04)

Prescribed by the Department of Local Government Finance

**FORM
SB - 1 / PP****INSTRUCTIONS:**

1. This statement must be submitted to the body designating the economic revitalization area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987 and areas designated after July 1, 1987 require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to installation of the new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment, **BEFORE** a deduction may be approved
3. To obtain a deduction, Form 322 ERA/PPME and/or Form 322 ERA/PP Other, must be filed with the county auditor. Form 322 ERA/PPME and/or Form 322 ERA/PP Other must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment becomes assessable, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991 must submit Form CF-1 annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. The schedules established under IC 6-1.1-12.1-4(d) and IC 6-1.1-12.1-4.5(e) effective July 1, 2000 apply to any statement of benefits filed on or after July 1, 2000. The schedules effective prior to July 1, 2000 shall continue to apply to those statement of benefits filed before July 1, 2000.

SECTION 1 TAXPAYER INFORMATION								
Name of taxpayer SQUARE PEG CORPORATION								
Address of taxpayer (street and number, city, state and ZIP code) 111 GARDEN STREET, TAXTOWN, IN 47888								
Name of contact person C. BOX				Telephone number (888) 888-8888				
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT								
Name of designating body COUNTY R COUNTY COUNCIL				Resolution number R-1-2004				
Location of property 111 GARDEN STREET			County R	Taxing district GARDEN				
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment (use additional sheets if necessary) INSTALLATION OF LINE TO MAKE CARDBOARD BOXES				ESTIMATED				
				Start Date		Completion Date		
				Manufacturing Equipment	1/1/2004	3/1/2004		
				R & D Equipment				
				Logist Dist Equipment *				
IT Equipment *								
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT								
Current number 3	Salaries 55,657.00	Number retained 3	Salaries 55,657.00	Number additional 1	Salaries 18,000.00			
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT								
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	Manufacturing Equipment		R & D Equipment		Logist Dist Equipment *		IT Equipment *	
	Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value
Current values	25,000.00							
Plus estimated values of proposed project	95,000.00							
Less values of any property being replaced								
Net estimated values upon completion of project	120,000.00							
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER								
Estimated solid waste converted (pounds) _____ Estimated hazardous waste converted (pounds) _____								
Other benefits:								
SECTION 6 TAXPAYER CERTIFICATION								
I hereby certify that the representations in this statement are true.								
Signature of authorized representative Cardboard Box			Title PRESIDENT		Date signed (month, day, year) 12/15/2003			

* See IC 6-1.1-12.1-2.3.

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed 1 calendar years * (see below). The date this designation expires is 01/06/2005.

B. The type of deduction that is allowed in the designated area is limited to:

- | | |
|--|---|
| 1. Installation of new manufacturing equipment; | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 3. Installation of new logistical distribution equipment. | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 4. Installation of new information technology equipment; | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____.

D. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____.

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ _____ cost with an assessed value of \$ _____.

F. The amount of deduction applicable to new information technology equipment is limited to \$ _____ cost with an assessed value of \$ _____.

G. Other limitations or conditions (specify) _____

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction after July 1, 2000 is allowed for:

- | | |
|-------------------------------------|---|
| <input type="checkbox"/> 1 year | <input type="checkbox"/> 6 years |
| <input type="checkbox"/> 2 years | <input type="checkbox"/> 7 years |
| <input type="checkbox"/> 3 years | <input type="checkbox"/> 8 years |
| <input type="checkbox"/> 4 years | <input type="checkbox"/> 9 years |
| <input type="checkbox"/> 5 years ** | <input checked="" type="checkbox"/> 10 years ** |

** For ERA's established prior to July 1, 2000 only a 5 or 10 year schedule may be deducted.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved: (signature and title of authorized member)

Telephone number

Date signed (month, day, year)

Jan E. Doe

(808) 777-7777

01/06/2004

Attested by:

Designated body

LARRY SMITH, AUDITOR

COUNTY COUNCIL OF COUNTY R, INDIANA

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4.5

RESOLUTION NO. R-23-1999

**A RESOLUTION OF THE COUNTY COUNCIL OF
COUNTY R OF TAXTOWN, INDIANA APPROVING
A STATEMENT OF BENEFITS AND ESTABLISHING THE PERIOD FOR
REDEVELOPMENT DEDUCTIONS AND
NEW MANUFACTURING EQUIPMENT DEDUCTIONS
FOR SQUARE PEG CORPORATION
FOR PURPOSES OF TAX ABATEMENT**

WHEREAS, the County Council of County R, Indiana had, pursuant to IC 6-1.1-12.1-1 et seq. and resolution R-5-1999 established a program of personal property and real property tax abatement within one or more defined "economic revitalization areas"; and

WHEREAS, the aforementioned company has submitted a request for tax abatement in the form of a Statement of Benefits for consideration by the County Council of County R, Indiana; and

WHEREAS, the County Council of County R, Indiana has considered and found that the estimated jobs to be retained, and the estimate of annual salaries, and the estimated value of the new manufacturing equipment and redevelopment can reasonably be expected to result from the project and

WHEREAS, the county auditor and/or Department of Local Government Finance require notification of the period of time provided pursuant to IC 6-1.1-12.1-5 as specified by the County Council.

NOW, THEREFORE, BE IT RESOLVED by the County Council of County R, Indiana, that the request for tax abatement is hereby approved, and that the amount of the deduction, which the aforementioned property owner is entitled to, received pursuant to IC 6-1.1-12.1-5 is as follows:

Redevelopment (Real Property)

Pursuant to IC 6-1.1-12.1-3 the percentages shall be those provided for a period of five (5) years.

New Manufacturing Equipment (Personal Property)

Pursuant to IC 6-1.1-12.1-4.5 the percentages shall be those provided for a period of five (5) years.

DULY ADOPTED BY THE COUNTY COUNCIL OF COUNTY R, INDIANA and
certified this the 22nd day of December 1999.

ATTEST:

Jane E. Doe
JANE E. DOE, COUNCIL PRESIDENT

Larry Smith
Larry Smith, County Auditor



STATEMENT OF BENEFITS

State Form 27167 (R7 / 12-01)

Prescribed by the Department of Local Government Finance

FORM
SB - 1

INSTRUCTIONS:

1. This statement must be submitted to the body designating the economic revitalization area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and / or research and development equipment, or **BEFORE** the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987 and areas designated after July 1, 1987 require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to initiation of the redevelopment or rehabilitation, or prior to installation of the new manufacturing equipment and / or research and development equipment, **BEFORE** a deduction may be approved.
3. To obtain a deduction, Form 322 ERA, Real Estate Improvements and / or Form 322 ERA / PPME and / or 322 ERA / PPR & DE, must be filed with the county auditor. With respect to real property, Form 322 ERA must be filed by the later of: (1) May 10; or (2) thirty (30) days after a notice of increase in real property assessment is received from the township assessor. Form 322 ERA / PPME and / or 322 ERA PPR & DE must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and / or research and development equipment becomes assessable, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991 must submit Form CF - 1 annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. The schedules established under IC 6-1.1-12.1-4(d) and IC 6-1.1-12.1-4.5 (e) effective July 1, 2000 apply to any statement of benefits filed on or after July 1, 2000.
The schedules effective prior to July 1, 2000 shall continue to apply to those statement of benefits filed before July 1, 2000.

SECTION 1		TAXPAYER INFORMATION							
Name of taxpayer SQUARE PEG CORPORATION									
Address of taxpayer (street and number, city, state and ZIP code) 111 GARDEN STREET, TAXTOWN, IN 47888									
Name of contact person C. BOX				Telephone number (888) 888-8888					
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT							
Name of designating body COUNTY R COUNTY COUNCIL				Resolution number R-23-1999					
Location of property 111 GARDEN STREET		County R		Taxing district GARDEN					
Description of real property improvements and / or new manufacturing equipment and / or research and development equipment (use additional sheets if necessary) 200-TON PRESS AND 12,000 SQUARE FOOT PLANT				ESTIMATED					
				Start Date		Completion Date			
				Real Estate		01/01/2000		03/01/2001	
				New Mfg Equipment		01/01/2000		01/01/2001	
R & DE									
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT							
Current number 0	Salaries \$0.00	Number retained	Salaries	Number additional 2	Salaries \$40,000.00				
SECTION 4		ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT							
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.		Real Estate Improvements		Machinery		Research and Development Equipment			
		Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value		
Current values		\$0.00		\$0.00					
Plus estimated values of proposed project		\$100,000.00		\$15,000.00					
Less values of any property being replaced		\$0.00		\$0.00					
Net estimated values upon completion of project		\$100,000.00		\$15,000.00					
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER							
Estimated solid waste converted (pounds)		Estimated hazardous waste converted (pounds)							
Other benefits:									
SECTION 6		TAXPAYER CERTIFICATION							
I hereby certify that the representations in this statement are true.									
Signature of authorized representative Cardboard Box				Title PRESIDENT		Date signed (month, day, year) 09/20/1999			

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed _____ calendar years * (see below). The date this designation expires is _____.

B. The type of deduction that is allowed in the designated area is limited to:

- | | | |
|---|---|--|
| 1. Redevelopment or rehabilitation of real estate improvements; | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Installation of new manufacturing equipment; | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Installation of new research and development equipment; | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| 4. Residentially distressed areas | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

C. The amount of deduction applicable for redevelopment or rehabilitation is limited to \$ _____ cost with an assessed value of \$ _____.

D. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____.

E. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____.

F. Other limitations or conditions (specify) _____

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved: (signature and title of authorized member)

Telephone number

Date signed (month, day, year)

Jane E. Doe

(808) 777-7777

12/22/1999

Attested by:

Designated body

Jane E. Doe

County R County Council

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4 or 4.5

**COMPLIANCE WITH STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51765 (5-04)

Prescribed by the Department of Local Government Finance

**FORM
CF-1 / PP**

- INSTRUCTIONS:**
1. Property owners whose Statement of Benefits was approved after June 30, 1991 must file this form with the County Auditor and the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
 2. This form must be filed with Form 322 ERA/PPME or Form 322 ERA/PP Other between March 1 and May 15 of each year, unless a filing extension under IC 6-1.1-3.7 has been granted. A person who obtains a filing extension must file between March 1 and the extended due date of each year.
 3. With the approval of the designating body, compliance information for multiple projects may be consolidated on one (1) compliance (CF-1).

SECTION 1 TAXPAYER INFORMATION	
Name of taxpayer SQUARE PEG CORPORATION	
Address of taxpayer (street and number, city, state and ZIP code) 111 GARDEN STREET, TAXTOWN, IN 47888	
Name of contact person C. BOX	Telephone number (888) 888-8888

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY		
Name of designating body COUNTY R COUNTY COUNCIL		Resolution number R-1-2004
Location of property 111 GARDEN STREET	County R	Taxing district GARDEN
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. INSTALLATION OF LINE TO MAKE CARDBOARD BOXES		Estimated starting date 01/01/2004
		Estimated completion date 03/01/2004

SECTION 3 EMPLOYEES AND SALARIES	As Estimated on SB-1	Actual
Current number of employees	3	3
Salaries	55,657.00	55,657.00
Number of employees retained	3	3
Salaries	55,657.00	55,657.00
Number of additional employees	1	1
Salaries	18,000.00	18,000.00

SECTION 4 COST AND VALUES	Manufacturing Equipment		R & D Equipment		Logist Dist Equipment		IT Equipment	
As Estimated on SB-1	Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value
Values before project	25,000.00							
Plus: Values of proposed project	95,000.00							
Less: Values of any property being replaced	0.00							
Net values upon completion of project	120,000.00							
Actual	Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value
Values before project	25,000.00							
Plus: Values of proposed project	87,463.00							
Less: Values of any property being replaced	0.00							
Net values upon completion of project	112,463.00							

NOTE: The **COST** of the property is confidential pursuant to IC 6-1.1-12.1-5.6 (d).

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER	As Estimated on SB-1	Actual
Amount of solid waste converted		
Amount of hazardous waste converted		
Other benefits:		

SECTION 6 TAXPAYER CERTIFICATION		
I hereby certify that the representations in this statement are true.		
Signature of authorized representative <i>Cardboard Box</i>	Title PRESIDENT	Date signed (mo., day, yr.) 05/13/2004

FOR USE OF THE DESIGNATING BODY

INSTRUCTIONS: (IC 6-1.1-12.1-5.9)

1. Within forty-five (45) days after receipt of this form, the designating body may determine whether or not the property owner has substantially complied with the Statement of Benefits.
2. If the property owner is found **NOT** to be in substantial compliance, the designating body shall send the property owner written notice. The notice must include the reasons for the determination and the date, time and place of a hearing to be conducted by the designating body. If a notice is mailed to a property owner for new manufacturing equipment and / or research and development equipment and/or logistical distribution equipment and/or information technology equipment, a copy of the written notice shall be sent to the Department of Local Government Finance.
3. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made reasonable effort to substantially comply with the Statement of Benefits.
4. If the designating body determines that the property owner has **NOT** made reasonable effort to comply, then the designating body shall adopt a resolution terminating the deduction. The designating body shall immediately mail a certified copy of the resolution to: (1) the property owner; (2) the County Auditor; and (3) the Department of Local Government Finance.

We have reviewed the CF-1 and find that:		
<input checked="" type="checkbox"/> the property owner IS in substantial compliance <input type="checkbox"/> the property owner IS NOT in substantial compliance <input type="checkbox"/> other (specify) _____		
Reasons for the determination (attach additional sheets if necessary)		
Signature of authorized member <i>Jane E. Doe</i>		Date signed (month, day, year) 05/17/2004
Attested by: LARRY SMITH, AUDITOR <i>Larry Smith</i>		Designating body COUNTY R COUNTY COUNCIL
If the property owner is found not to be in substantial compliance, the property owner shall receive the opportunity for a hearing. The following date and time has been set aside for the purpose of considering compliance.		
Time of hearing <input type="checkbox"/> AM <input type="checkbox"/> PM	Date of hearing	Location of hearing

HEARING RESULTS (to be completed after the hearing)

<input type="checkbox"/> Approved <input type="checkbox"/> Denied (see instruction 4 above)	
Reasons for the determination (attach additional sheets if necessary)	
Signature of authorized member	
Date signed (month, day, year)	
Attested by:	Designating body

APPEAL RIGHTS [IC 6-1.1-12.1-5.9(e)]

A property owner whose deduction is denied by the designating body may appeal the designating body's decision by filing a complaint in the office of the Circuit or Superior Court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner.

**COMPLIANCE WITH STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51765 (5-04)

Prescribed by the Department of Local Government Finance

**FORM
CF-1/PP**

- INSTRUCTIONS:**
1. Property owners whose Statement of Benefits was approved after June 30, 1991 must file this form with the County Auditor and the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
 2. This form must be filed with Form 322 ERA/PPME or Form 322 ERA/PP Other between March 1 and May 15 of each year, unless a filing extension under IC 6-1.1-3.7 has been granted. A person who obtains a filing extension must file between March 1 and the extended due date of each year.
 3. With the approval of the designating body, compliance information for multiple projects may be consolidated on one (1) compliance (CF-1).

SECTION 1 TAXPAYER INFORMATION	
Name of taxpayer SQUARE PEG CORPORATION	
Address of taxpayer (street and number, city, state and ZIP code) 111 GARDEN STREET, TAXTOWN, IN 47888	
Name of contact person C. BOX	Telephone number (888) 888-8888

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY		
Name of designating body COUNTY R COUNTY COUNCIL		Resolution number R-2-2000
Location of property 111 GARDEN STREET	County R	Taxing district GARDEN
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired. 200-TON PRESS		Estimated starting date 11/01/2000
		Estimated completion date 01/01/2001

SECTION 3 EMPLOYEES AND SALARIES	As Estimated on SB-1	Actual
Current number of employees	0	0
Salaries	0.00	0.00
Number of employees retained		
Salaries		
Number of additional employees	2	2
Salaries	40,000.00	40,000.00

SECTION 4 COST AND VALUES	Manufacturing Equipment		R & D Equipment		Logist Dist Equipment		IT Equipment	
As Estimated on SB-1	Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value
Values before project	0.00	0.00						
Plus: Values of proposed project	15,000.00							
Less: Values of any property being replaced	0.00							
Net values upon completion of project	15,000.00							
Actual	Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value
Values before project	0.00	0.00						
Plus: Values of proposed project	15,000.00							
Less: Values of any property being replaced	0.00							
Net values upon completion of project	15,000.00							

NOTE: The **COST** of the property is confidential pursuant to IC 6-1.1-12.1-5.6 (d).

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER	As Estimated on SB-1	Actual
Amount of solid waste converted		
Amount of hazardous waste converted		
Other benefits:		

SECTION 6 TAXPAYER CERTIFICATION		
I hereby certify that the representations in this statement are true.		
Signature of authorized representative <i>Cardboard Box</i>	Title PRESIDENT	Date signed (mo., day, yr.) 05/13/2004

FOR USE OF THE DESIGNATING BODY

INSTRUCTIONS: (IC 6-1.1-12.1-5.9)

1. Within forty-five (45) days after receipt of this form, the designating body may determine whether or not the property owner has substantially complied with the Statement of Benefits.
2. If the property owner is found **NOT** to be in substantial compliance, the designating body shall send the property owner written notice. The notice must include the reasons for the determination and the date, time and place of a hearing to be conducted by the designating body. If a notice is mailed to a property owner for new manufacturing equipment and / or research and development equipment and/or logistical distribution equipment and/or information technology equipment, a copy of the written notice shall be sent to the Department of Local Government Finance.
3. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made reasonable effort to substantially comply with the Statement of Benefits.
4. If the designating body determines that the property owner has **NOT** made reasonable effort to comply, then the designating body shall adopt a resolution terminating the deduction. The designating body shall immediately mail a certified copy of the resolution to: (1) the property owner; (2) the County Auditor; and (3) the Department of Local Government Finance.

We have reviewed the CF-1 and find that:		
<input checked="" type="checkbox"/> the property owner IS in substantial compliance		
<input type="checkbox"/> the property owner IS NOT in substantial compliance		
<input type="checkbox"/> other (specify) _____		
Reasons for the determination (attach additional sheets if necessary)		
Signature of authorized member <i>James E. Roel</i>		Date signed (month, day, year) 05/17/2004
Attested by: LARRY SMITH, AUDITOR <i>[Signature]</i>	Designating body COUNTY R COUNTY COUNCIL	
If the property owner is found not to be in substantial compliance, the property owner shall receive the opportunity for a hearing. The following date and time has been set aside for the purpose of considering compliance.		
Time of hearing <input type="checkbox"/> AM <input type="checkbox"/> PM	Date of hearing	Location of hearing

HEARING RESULTS (to be completed after the hearing)	
<input type="checkbox"/> Approved <input type="checkbox"/> Denied (see instruction 4 above)	
Reasons for the determination (attach additional sheets if necessary)	
<div style="height: 100px;"></div>	
Signature of authorized member	Date signed (month, day, year)
Attested by:	Designating body

APPEAL RIGHTS [IC 6-1.1-12.1-5.9(e)]

A property owner whose deduction is denied by the designating body may appeal the designating body's decision by filing a complaint in the office of the Circuit or Superior Court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner.

**BUSINESS TANGIBLE PERSONAL
PROPERTY ASSESSMENT RETURN**

State Form 11405 (R19 / 3-04)

Prescribed by the Department of Local Government Finance

**STATE OF INDIANA
FORM 103 - LONG FORM****MARCH 1, 2004**

For Assessor's Use Only

INSTRUCTIONS: This form must be filed with the township assessor not later than May 15 unless an extension of up to 30 days is granted in writing. Please type or print. **Form 104 must be filed with the return.** Penalties for failure to file complete return forms are at the bottom of Schedule B of this form.

PRIVACY NOTICE: The records in this series are confidential according to I. C. 6-1.1-35-9.

Name of taxpayer SQUARE PEG CORPORATION		Federal Identification Number 35-0000111
Name under which business is conducted SAME		Taxing district number 91
Address where property is located (number and street, city, town, and ZIP code) 111 GARDEN STREET, TAXTOWN, IN 47888		Taxing district name GARDEN
Nature of business MANUFACTURING	Principal business activity code 322100	Township TULIP
Name and address to which Assessment and Tax Notice is to be mailed (If different than above)		County R
		Retail Merchants Certification Number

1. Federal Income Tax Year ends DEC 31 Name filed under SAME
2. Location of accounting records SAME
3. Form of business ☐ Partnership or Joint Venture ☐ Sole Proprietorship ☒ Corporation ☐ Estate or Trust
☐ Other, describe; _____
4. Do you have other locations in Indiana? ☐ Yes ☒ No (If Yes, file Form 105)
5. Are inventory records maintained on a perpetual basis? ☐ Yes ☒ No
6. How is inventory valued? LOWER OF COST OR MARKET
7. Was any consigned or other not owned inventory held, possessed or controlled on March 1? ☐ Yes ☒ No (See 50 IAC 4.2-5-2)
8. Inventory Elections: Calendar year average ☐ Yes ☒ No (See 50 IAC 4.2-5-9)
Alternative inventory: Manufacturers or Processors ☐ Yes ☒ No Elections binding in following years. (See 50 IAC 4.2-5-7)
9. If nature of business is contracting, is job site inventory included in Schedule "B"? ☐ Yes ☒ No
10. Did you own, hold, possess or control any personal property in a public warehouse or other storage place in Indiana as of March 1?
☐ Yes ☒ No (See 50 IAC 4.2-5-2 (b))
11. Did you own, hold, possess or control any leased, rented or other depreciable personal property on March 1?
☐ Yes ☒ No (See 50 IAC 4.2-8)
12. Did you own, hold, possess or control any Special Tools on March 1?
☐ Yes ☒ No (See 50 IAC 4.2-6-2)
13. Did you own, hold, possess or control any returnable containers on March 1? ☐ Yes ☒ No (See 50 IAC 4.2-6-4)
14. Total sales for this location during the prior fiscal or calendar year. \$ 211,915.00

If taxpayer answers "yes" to questions 7, 10, 11, or 13, the owner must file Form 103-O and the possessor must file Form 103-N. (See 50 IAC 4.2-2-4 and 5 and 50 IAC 4.2-8-3 and 4.)

Duplicate Return Requirement. Every taxpayer whose total combined assessed value of business personal property in a single taxing district is \$150,000 or more must file each return in duplicate including the confidential returns and schedules attached thereto. (I.C. 6-1.1-3-7 (c))

Total assessed value of business personal property in the taxing district listed on this return is ☐ \$150,000 or More ☒ Less Than \$150,000

In completing a personal property return for a year, a taxpayer must make a complete disclosure of all information relating to the value, nature or location of personal property owned, held, possessed or controlled on the assessment date. (I.C. 6-1.1-3-9 (a))

This information would include, but not be limited to, completion of the heading and related information, answers to all questions on the face of the return, and entries on all of the appropriate lines of Schedules A and B. If such information is not provided, the taxpayer will be contacted and directed to provide that information. In addition, a penalty of \$25 may be imposed. (I.C. 6-1.1-37-7(d))

SUMMARY	REPORTED BY TAXPAYER	CHANGE BY TOWNSHIP ASSESSOR	CHANGE BY THE PTABOA
SCHED. A-PERSONAL PROPERTY OTHER THAN INVENTORY	\$ 49,838.00	\$	\$
SCHEDULE B-INVENTORY	\$ 5,769.00	\$	\$
TOTAL TRUE TAX VALUE-FORM 103	\$ 55,607.00	\$	\$
ASSESSED VALUE @ 100% T.T.V. ABOVE Total to Form 104	(Round Assessed Value to Nearest Ten Dollars)		
	\$ 57,610.00	\$	\$

SIGNATURE AND VERIFICATION

Under Penalties of Perjury, I hereby certify that this return (including accompanying schedules and statements), to the best of my knowledge and belief, is true, correct, and complete; reports all tangible personal property, subject to taxation, owned, held, possessed or controlled by the named taxpayer, in the stated township or taxing district, on the assessment date of this return, as required by law; and is prepared in accordance with I.C. 6-1.1 et seq., as amended, and regulations promulgated with respect thereto.

Signature of authorized person <i>Cardboard Box</i>		(Please print name) CARDBOARD BOX	Date 5/13/04
Title PRESIDENT	Telephone number ((888) 888-8888	Signature of Person Preparing Return based on all information of which he has any knowledge	

FORM 103 See 50 IAC 4.2-4		TANGIBLE PERSONAL PROPERTY OTHER THAN INVENTORY CONFIDENTIAL				SCHEDULE A MARCH 1, 2004	
Line	Report all personal property assessable to this taxpayer below (Round all figures below to nearest dollar.)					Federal Identification Number 35-0000111	
1	Total cost of tangible depreciable personal property (50 IAC 4.2-4-2)					\$	140,433.00
2	Adjustment to federal tax basis per Form 106 (50 IAC 4.2-4-4)						
3	Total cost and base year value of tangible depreciable personal property (Line 1 + 2)					\$	140,433.00
Deduct Exempt Property (See 50 IAC 4.2-11)					COST		
4	Stationary industrial air purification systems (Attach Form 103-P.)				\$		
5	Industrial waste control facilities (Attach Form 103-P.)						
6	Vehicles subject to excise tax	Number of Units					
7	Airplanes subject to excise tax	Number of Units		\$			
Total cost of exempt property (Deduct from Line 3 and enter on Line 8)							
8	Subtotal					\$	140,433.00
Additions: See 50 IAC 4.2-1-1 (h) and 50 IAC 4.2-4-3 (b) and 4							
9	Cost of all depreciable personal property still in use but written off [50 IAC 4.2-4-3(b)]					\$	
10	Cost of installation and foundations applicable to depreciable personal property [50 IAC 4.2-4-2(d)]						
11	Cost of interest incurred during construction and installation applicable to depreciable personal property [50 IAC 4.2-4-3(h)]						
12	Total cost and base year value of assessable depreciable personal property (Add Lines 8, 9, 10 and 11. Line 12 must agree with Line 56 Column A.)					\$	140,433.00
POOLING SUMMARY (From Schedule A-1 Opposite)		TOTAL COST COLUMN A		ADJUSTMENTS COLUMN B		ADJUSTED COST COLUMN C	
56	Total All Pools	\$ 145,433.00	\$ 0.00	\$ 145,433.00		\$	49,837.76
57	30% of Adjusted Cost (Line 56, Column C)			\$ 43,629.90			
58	Greater of Lines 56D or 57 (Must not be less than 30% of Line 56C) 50 IAC 4.2-4-9					\$	49,838.00
Additions @ True Tax Value							
59	Equipment not placed in service at cost	Cost \$ 0.00	X 10%	\$ 0.00		\$	0.00
60	Tools, dies, jigs, fixtures, etc., per Form 103-T. (50 IAC 4.2-6-2)	Cost \$					
61	Permanently retired equipment per Form 106. (50 IAC 4.2-4-3 (c) and (d))	Cost \$					
62	Commercial aircraft and commercial busline fleet, not subject to excise tax per Form 103-I. (50 IAC 4.2-10)	Cost \$					
63	Total additions to True Tax Value (Lines 59, 60, 61 and 62)					\$	0.00
64	Total True Tax Value before adjustments for "Abnormal Obsolescence." (Line 58 plus Line 63)					\$	49,838.00
65	Abnormal Obsolescence Adjustment per Form 106. (50 IAC 4.2-4-8)						
66	Total True Tax Value of personal property other than inventory (To page 1, Form 103 Summary)					\$	49,838.00

** The total cost of special tools, dies, jigs, fixtures, etc., permanently retired equipment; commercial aircraft, and commercial busline fleet, not subject to excise tax is to be deducted in full in Column B below. The true tax value of such property is to be computed on the proper Form(s) (103-T, 106 AND 103-I, respectively) and recorded on Line(s) 60, 61 and 62.

YEAR OF ACQUISITION		COLUMN A	COLUMN B	COLUMN C		COLUMN D
POOL NUMBER 1: (1 TO 4 YEAR LIFE)		TOTAL COST OR BASE YEAR VALUE	ADJUSTMENTS ** (See Note Above)	ADJUSTED COST	T.T.V.%	TRUE TAX VALUE
13	From To 3-1-04*	\$	\$	\$	65	\$
14	3-2-03 To 3-1-04			0.00	65	0.00
15	3-2-02 To 3-1-03			0.00	50	0.00
16	3-2-01 To 3-1-02			0.00	35	0.00
17	Prior To 3-1-01	\$	\$	0.00	20	\$
18	TOTAL POOL NUMBER 1	0.00	0.00	0.00		0.00
POOL NUMBER 2: (5 TO 8 YEAR LIFE)						
19	From To 3-1-04 *				40	
20	3-2-03 To 3-1-04	97,108.00		97,108.00	40	38,843.20
21	3-2-02 To 3-1-03	2,525.00		2,525.00	56	1,414.00
22	3-2-01 To 3-1-02			0.00	42	0.00
23	3-2-00 To 3-1-01	15,000.00		15,000.00	32	4,800.00
24	3-2-99 To 3-1-00			0.00	24	0.00
25	3-2-98 To 3-1-99	5,352.00		5,352.00	18	963.36
26	Prior To 3-1-98	\$ 25,448.00	\$	\$ 25,448.00	15	\$ 3,817.20
27	TOTAL POOL NUMBER 2	145,433.00	0.00	145,433.00		49,837.76
POOL NUMBER 3: (9 TO 12 YEAR LIFE)						
28	From To 3-1-04 *				40	
29	3-2-03 To 3-1-04			0.00	40	0.00
30	3-2-02 To 3-1-03			0.00	60	0.00
31	3-2-01 To 3-1-02			0.00	55	0.00
32	3-2-00 To 3-1-01			0.00	45	0.00
33	3-2-99 To 3-1-00			0.00	37	0.00
34	3-2-98 To 3-1-99			0.00	30	0.00
35	3-2-97 To 3-1-98			0.00	25	0.00
36	3-2-96 To 3-1-97			0.00	20	0.00
37	3-2-95 To 3-1-96			0.00	16	0.00
38	3-2-94 To 3-1-95			0.00	12	0.00
39	Prior To 3-1-94	\$	\$	0.00	10	\$
40	TOTAL POOL NUMBER 3	0.00	0.00	0.00		0.00
POOL NUMBER 4: (13 YEAR AND LONGER LIFE)						
41	From To 3-1-04 *				40	
42	3-2-03 To 3-2-04			0.00	40	0.00
43	3-2-02 To 3-2-03			0.00	60	0.00
44	3-2-01 To 3-1-02			0.00	63	0.00
45	3-2-00 To 3-1-01			0.00	54	0.00
46	3-2-99 To 3-1-00			0.00	46	0.00
47	3-2-98 To 3-1-99			0.00	40	0.00
48	3-2-97 To 3-1-98			0.00	34	0.00
49	3-2-96 To 3-1-97			0.00	29	0.00
50	3-2-95 To 3-1-96			0.00	25	0.00
51	3-2-94 To 3-1-95			0.00	21	0.00
52	3-2-93 To 3-1-94			0.00	15	0.00
53	3-2-92 To 3-1-93			0.00	10	0.00
54	Prior To 3-1-92	\$	\$	0.00	5	\$
55	TOTAL POOL NUMBER 4	0.00	0.00	0.00		0.00
56	TOTAL ALL POOLS	145,433.00	0.00	145,433.00		49,837.76

Election to report cost of Depreciable Assets by Federal tax year ☐ Yes ☒ No

Election available only when federal tax year ends December 31 or January 31. See 50 IAC 4.2-4-6 (c).

* If taxpayer elects to report cost above on federal tax year basis, assets acquired from the prior federal tax year end to March 1 are to be reported on the first line of the appropriate pool.

NOTE: All Column B adjustments above must be supported on Form 106, Form 103 - T, or Form 103 - I.

FORM 103 See 50 IAC 4.2-5		INVENTORY		SCHEDULE B MARCH 1, 2004	
LINE	Inventory last recorded on books and records on, or before, March 1: (See 50 IAC 4.2-5-3)			Federal Identification Number 35-0000111	
1	Raw materials			\$	
2	Work in process (If contractor "Job Site" inventory included, see instructions below)				
3	Finished goods				
4	Stock in trade			8,838.00	
5	Supplies				
6	Inventory of record <u>MARCH 1</u> , 20 <u>04</u> (Total Lines 1 thru 5)			\$ 8,838.00	
7	Adjust balance on Line 6 to March 1: (See 50 IAC 4.2-5-6)				
	A	Add purchases from last inventory to March 1	\$		
	B	Deduct cost of sales from last inventory to March 1			
		Net Sales \$ _____ x Cost of Sales _____ % =			
	C	Net difference between purchases and cost of sales (Lines 7A and B)			
8	Unrecorded inventory per Form 106 (See 50 IAC 4.2-5-8)				
9	Consigned goods (Attach Form 103-O) (See 50 IAC 4.2-5-2 (c))				
10	Total inventory on hand March 1 (Total line 6 + or - 7 + 8, + 9)			\$ 8,876.00	
11	Average inventory adjustment, if elected on page 1, (50 IAC 4.2-5-9) (Compute on Form 106)				
	Additions: (See 50 IAC 4.2-5-4) (Explain Calculations on Form 106)				
12	Adjust to "First in First Out" (Add "LIFO" Reserve, Etc.)		\$		
13	Manufacturing overhead not included in inventory cost above				
14	Wholesalers and retailers allocable expenses				
15	Freight in not included in inventory cost above				
16	Royalties, editorial, license or copyright fees				
17	Taxes (other than income taxes) not included in cost above				
18	Total additions lines 12, 13, 14, 15, 16 and 17			\$ 0.00	
	Deductions: (Explain all calculations on Form 106)				
19	Exempt inventory (50 IAC 4.2-12-3 and 8) (Attach Form 103-W)		\$		
20	Inventory recorded but not received				
21	Cash, trade and purchases discounts (50 IAC 4.2-5-4(d))				
22	Adjustment from standard to actual cost (50 IAC 4.2-5-4 (e))				
23	Total deductions (Lines 19, 20, 21 and 22)			\$	
24	Total inventory before special adjustments (Line 10 + or - Lines 11, 18 and 23)			8,876.00	
	Special adjustments: (See 50 IAC 4.2-5-13 and 14)				
25	Valuation adjustment @ 35% of Line 24 above		\$ 3,106.60		
26	Abnormal obsolescence (Must be supported on Form 106)				
27	Total special adjustments (Deduct from Line 24)			\$ 3,107.00	
28	Total True Tax Value of inventory line 24 minus 27			\$ 5,769.00	
29	100% Inventory Deduction pursuant to IC 6-1.1-12-41 (Note: This line is only to be used in those counties who have adopted an ordinance allowing a 100% deduction of inventories.)			\$	
30	Total True Tax Value of Assessable Inventory Line 28 minus Line 29 (Enter in Summary on Page 1)			\$ 5,769.00	

LINE

2. All contractor's material on job site is to be reported as inventory if not physically incorporated into land or buildings.
6. Show date of inventory as reflected on the books and records on lines (1) thru (5) above.
7. If inventory of record as shown on line (6) is not March 1 it must be adjusted to March 1 in accordance with the provisions of 50 IAC 4.2- 5- 6 and explained on Form 106.
10. Total inventory on hand March 1 must include all tangible inventory of any nature owned by this person, taxable or non-taxable.
14. If inventory of record as adjusted to March 1, reported on line (10), does not include Allocable Expenses as defined in 50 IAC 4.2-5-5 (c), an adjustment must be made to include these costs.
22. If adjustment to actual cost is an addition to line (10) show as a negative figure on line (22).
25. Note: 35% valuation adjustment may not be applied to work in process and finished goods if taxpayer elects to use the alternative method per 50 IAC 4.2- 5-7. Inventory computation using alternative method must be shown on Form 106 of attached schedule.
26. The Abnormal Obsolescence Adjustment must be reported at True Tax Value.

PENALTIES FOR FAILURE TO FILE COMPLETE RETURN FORMS

Failure to file a return on or before the due date, as required by law, will result in the imposition of twenty-five dollars (\$25) penalty. In addition, if return is not filed within thirty (30) days after such return is due, a penalty equal to twenty percent (20%) of the taxes finally determined to be due with respect to the property which should have been reported will be imposed. A personal property return is not due until the expiration of any extension period granted by the township assessor under I.C. 6-1.1-3-7 (b). If the total assessed value that a person reports on a personal property return is less than the total assessed value that the person is required by law to report and if the amount of the undervaluation exceeds five percent (5%) of the value that should have been reported on the return, then the county auditor shall add a penalty of twenty percent (20%) of the additional taxes finally determined to be due as a result of the undervaluation.

**BUSINESS TANGIBLE PERSONAL
PROPERTY ASSESSMENT RETURN**

State Form 11405 (R18 / 1-03)

Prescribed by the Department of Local Government Finance

**STATE OF INDIANA
FORM 103 - LONG FORM****MARCH 1, 2003**

For Assessor's Use Only

INSTRUCTIONS: This form must be filed with the township assessor not later than May 15 unless an extension of up to 30 days is granted in writing. Please type or print. Form 104 must be filed with the return. Penalties for failure to file complete return forms are at the bottom of Schedule B of this form.

PRIVACY NOTICE: The records in this series are confidential according to I.C. 6-1.1-35-9.

Name of taxpayer SQUARE PEG CORPORATION		Federal Identification Number 35-0000111
Name under which business is conducted SAME		Taxing district number 91
Address where property is located (number and street, city, town, and ZIP code) 111 GARDEN STREET, TAXTOWN, IN 47888		Taxing district name GARDEN
Nature of business MANUFACTURING	Principal business activity code 322100	Township TULIP
Name and address to which Assessment and Tax Notice is to be mailed (if different than above)		County P
		Retail Merchants Certification Number

1. Federal Income Tax Year ends **DEC 31** Name filed under **SAME**
2. Location of accounting records **SAME**
3. Form of business ☐ Partnership or Joint Venture ☐ Sole Proprietorship ☒ Corporation ☐ Estate or Trust
☐ Other, describe; _____
4. Do you have other locations in Indiana? ☐ Yes ☒ No (If Yes, file Form 105)
5. Are inventory records maintained on a perpetual basis? ☐ Yes ☒ No
6. How is inventory valued? **LOWER OF COST OR MARKET**
7. Was any consigned or other not owned inventory held, possessed or controlled on March 1? ☐ Yes ☒ No (See 50 IAC 4.2-5-2)
8. Inventory Elections: Calendar year average ☐ Yes ☒ No (See 50 IAC 4.2-5-9)
Alternative inventory: Manufacturers or Processors ☐ Yes ☒ No Elections binding in following years. (See 50 IAC 4.2-5-7)
9. If nature of business is contracting, is job site inventory included in Schedule "B"? ☐ Yes ☐ No
10. Did you own, hold, possess or control any personal property in a public warehouse or other storage place in Indiana as of March 1?
☐ Yes ☒ No (See 50 IAC 4.2-5-2 (b))
11. Did you own, hold, possess or control any leased, rented or other depreciable personal property on March 1?
☐ Yes ☒ No (See 50 IAC 4.2-8)
12. Did you own, hold, possess or control any Special Tools on March 1?
☐ Yes ☒ No (See 50 IAC 4.2-6-2)
13. Did you own, hold, possess or control any returnable containers on March 1? ☐ Yes ☒ No (See 50 IAC 4.2-6-4)
14. Total sales for this location during the prior fiscal or calendar year. **\$ 171,247**

If taxpayer answers "yes" to questions 7, 10, 11, or 13, the owner must file Form 103-O and the possessor must file Form 103-N. (See 50 IAC 4.2-2-4 and 5 and 50 IAC 4.2-8-3 and 4.)

Duplicate Return Requirement. Every taxpayer whose total combined assessed value of business personal property in a single taxing district is \$150,000 or more must file each return in duplicate including the confidential returns and schedules attached thereto. (I.C. 6-1.1-3-7 (c))

Total assessed value of business personal property in the taxing district listed on this return is ☐ \$150,000 or More ☒ Less Than \$150,000

In completing a personal property return for a year, a taxpayer must make a complete disclosure of all information relating to the value, nature or location of personal property owned, held, possessed or controlled on the assessment date. (I.C. 6-1.1-3-9 (a))

This information would include, but not be limited to, completion of the heading and related information, answers to all questions on the face of the return, and entries on all of the appropriate lines of Schedules A and B. If such information is not provided, the taxpayer will be contacted and directed to provide that information. In addition, a penalty of \$25 may be imposed. (I.C. 6-1.1-37-(d))

SUMMARY	REPORTED BY TAXPAYER	CHANGE BY TWSHP. ASSESSOR	CHANGE BY THE PTABOA
SCHED. A-PERSONAL PROPERTY OTHER THAN INVENTORY	\$ 14,498	\$	\$
SCHEDULE B-INVENTORY	\$ 5,858	\$	\$
TOTAL TRUE TAX VALUE-FORM 103	\$ 20,356	\$	\$
ASSESSED VALUE @ 100% T.T.V. ABOVE Record on Line 1, Form 104	(Round Assessed Value to Nearest Ten Dollars) \$ 20,360	\$	\$

SIGNATURE AND VERIFICATION

Under Penalties of Perjury, I hereby certify that this return (including accompanying schedules and statements), to the best of my knowledge and belief, is true, correct, and complete; reports all tangible personal property, subject to taxation, owned, held, possessed or controlled by the named taxpayer, in the stated township or taxing district, on the assessment date of this return, as required by law; and is prepared in accordance with I.C. 6-1.1 et seq., as amended, and regulations promulgated with respect thereto.

Signature of authorized person Cardboard Box	(Please print name) CARDBOARD BOX	Date 5/14/03
Title PRESIDENT	Telephone number (888) 888-8888	Signature of Person Preparing Return based on all information of which he has any knowledge

FORM 103 See 50 IAC 4.2-4		TANGIBLE PERSONAL PROPERTY OTHER THAN INVENTORY CONFIDENTIAL		SCHEDULE A MARCH 1, 2003	
Line	Report all personal property assessable to this taxpayer below (Round all figures below to nearest dollar.)				Federal Identification Number 35-0000111
1	Total cost of tangible depreciable personal property (50 IAC 4.2- 4-1)				\$ 48,725
2	Adjustment to federal tax basis per Form 106 (50 IAC 4.2-4-4)				
3	Total cost and base year value of tangible depreciable personal property (Line 1 +2)				\$ 48,725
Deduct Exempt Property (See 50 IAC 4.2-11)				COST	
4	Stationary industrial air purification systems (Attach Form 103-P.)			\$	
5	Industrial waste control facilities (Attach 103-P.)				
6	Vehicles subject to excise tax	Number of Units			
7	Airplanes subject to excise tax	Number of Units		\$	
Total cost of exempt property (Deduct from Line 3 and enter on Line 8)					
8	Subtotal				\$ 48,725
Additions: See 50 IAC 4.2-1-1 (h) and 50 IAC 4.2-4-3 (b) and 4					
9	Cost of all depreciable personal property still in use but written off				\$
10	Cost of installation and foundations applicable to depreciable personal property				
11	Cost of interest incurred during construction and installation applicable to depreciable personal property				
12	Total cost and base year value of assessable depreciable personal property (Add Lines 8, 9, 10 and 11. Line 12 must agree with Line 56 Column A.)				\$ 48,725
POOLING SUMMARY (From Schedule A-1 Opposite)		TOTAL COST COLUMN A	ADJUSTMENTS COLUMN B	ADJUSTED COST COLUMN C	TRUE TAX VALUE COLUMN D
56	Total All Pools	\$ 48,325	\$	\$ 48,325	\$ 12,434
57	30% of Adjusted Cost (Line 56, Column C)			\$ 14,498	
58	Greater of Lines 56D or 57 (Must not be less than 30% of Line 56C) 50 IAC 4.2-4-9				\$ 14,498
Additions @ True Tax Value					
59	Equipment not placed in service at cost	Cost		X 10%	\$
60	Tools, dies, jigs, fixtures, etc., per Form 103-T. (50 IAC 4.2-6-2)	Cost			
61	Permanently retired equipment per Form 106. (50 IAC 4.2-4-3 (c) and (d))	Cost			
62	Commercial aircraft and commercial busline fleet, not subject to excise tax per Form 103-I. (50 IAC 4.2-10)	Cost			
63	Total additions to True Tax Value (Lines 59, 60, 61 and 62)				\$
64	Total True Tax Value before adjustments for "Abnormal Obsolescence." (Line 58 plus Line 63)				\$ 14,498
65	Abnormal Obsolescence Adjustment per Form 106. (50 IAC 4.2-4-8)				
66	Total True Tax Value of personal property other than inventory (To page 1, Form 103 Summary)				\$ 14,498

** The total cost of special tools, dies, jigs, fixtures, etc., permanently retired equipment; commercial aircraft, and commercial busline fleet, not subject to excise tax is to be deducted in full in Column B below. The true tax value of such property is to be computed on the proper Form(s) (103-T, 106 AND 103-I, respectively) and recorded on Line(s) 60, 61 and 62.

YEAR OF ACQUISITION		COLUMN A	COLUMN B	COLUMN C		COLUMN D
POOL NUMBER 1: (1 TO 4 YEAR LIFE)		TOTAL COST OR BASE YEAR VALUE	ADJUSTMENTS ** (See Note Above)	ADJUSTED COST	T.T.V.%	TRUE TAX VALUE
13	From To 3-1-03*	\$	\$	\$	65	\$
14	3-2-02 To 3-1-03				65	
15	3-2-01 To 3-1-02				50	
16	3-2-00 To 3-1-01				35	
17	Prior To 3-1-00	\$	\$	\$	20	\$
18	TOTAL POOL NUMBER 1					
POOL NUMBER 2: (5 TO 8 YEAR LIFE)						
19	From To 3-1-03*				40	
20	3-2-02 To 3-1-03	2,525		2,525	40	1,010
21	3-2-01 To 3-1-02				56	
22	3-2-00 To 3-1-01	15,000		15,000	42	6,300
23	3-2-99 To 3-1-00				32	
24	3-2-98 To 3-1-99	5,352		5,352	24	1,284
25	3-2-97 To 3-1-98	753		753	18	136
26	Prior To 3-1-97	\$24,695	\$	\$24,695	15	\$ 3,704
27	TOTAL POOL NUMBER 2	48,325		48,325		12,434
POOL NUMBER 3: (9 TO 12 YEAR LIFE)						
28	From To 3-1-03*				40	
29	3-2-02 To 3-1-03				40	
30	3-2-01 To 3-1-02				60	
31	3-2-00 To 3-1-01				55	
32	3-2-99 To 3-1-00				45	
33	3-2-98 To 3-1-99				37	
34	3-2-97 To 3-1-98				30	
35	3-2-96 To 3-1-97				25	
36	3-2-95 To 3-1-96				20	
37	3-2-94 To 3-1-95				16	
38	3-2-93 To 3-1-94				12	
39	Prior To 3-1-93	\$	\$	\$	10	\$
40	TOTAL POOL NUMBER 3					
POOL NUMBER 4: (13 YEAR AND LONGER LIFE)						
41	From To 3-1-03*				40	
42	3-2-02 To 3-2-03				40	
43	3-2-01 To 3-2-02				60	
44	3-2-00 To 3-1-01				63	
45	3-2-99 To 3-1-00				54	
46	3-2-98 To 3-1-99				46	
47	3-2-97 To 3-1-98				40	
48	3-2-96 To 3-1-97				34	
49	3-2-95 To 3-1-96				29	
50	3-2-94 To 3-1-95				25	
51	3-2-93 To 3-1-94				21	
52	3-2-92 To 3-1-93				15	
53	3-2-91 To 3-1-92				10	
54	Prior To 3-1-91	\$	\$	\$	5	\$
55	TOTAL POOL NUMBER 4					
56	TOTAL ALL POOLS	48,325		48,325		12,434

Election to report cost of Depreciable Assets by Federal tax year ☐ Yes ☒ No

Election available only when federal tax year ends December 31 or January 31. See 50 IAC 4.2-4-6 (c).

* If taxpayer elects to report cost above on federal tax year basis, assets acquired from the prior federal tax year end to March 1 are to be reported on the first line of the appropriate pool.

NOTE: All Column B adjustments above must be supported on Form 106, Form 103 - T, or Form 103 - I.

FORM 103 See 50 IAC 4.2-5		INVENTORY	SCHEDULE B MARCH 1, 2003
LINE	Inventory last recorded on books and records on, or before, March 1; (See 50 IAC 4.2-5-3)	Federal Identification Number 35-0000111	
1	Raw materials	\$	
2	Work in process (If contractor "Job Site" inventory included, see instructions below)		
3	Finished goods		
4	Stock in trade	9,012	
5	Supplies		
6	Inventory of record _____, 20_____, (Total Lines 1 thru 5)	\$ 9,012	
7	Adjust balance on Line 6 to March 1: (See 50 IAC 4.2-5-6)		
A	Add purchases from last inventory to March 1	\$	
B	Deduct cost of sales from last inventory to March 1		
	Net Sales \$ _____ x Cost of Sales _____ % =		
C	Net difference between purchases and cost of sales (Lines 7A and B)		
8	Unrecorded inventory per Form 106 (See 50 IAC 4.2-5-8)		
9	Consigned goods (Attach Form 103-O) (See 50 IAC 4.2-5-2 (c))		
10	Total inventory on hand March 1 (Total line 6 + or - 7 + 8, + 9)	\$ 9,012	
11	Average inventory adjustment, if elected on page 1, (50 IAC 4.2-5-9) (Compute on Form 106)		
Additions: (See 50 IAC 4.2-5-4) (Explain Calculations on Form 106)			
12	Adjust to "First in First Out" (Add "LIFO" Reserve, Etc.)	\$	
13	Manufacturing overhead not included in inventory cost above		
14	Wholesalers and retailers allocable expenses		
15	Freight in not included in inventory cost above		
16	Royalties, editorial, license or copyright fees		
17	Taxes (other than income taxes) not included in cost above		
18	Total additions lines 12, 13, 14, 15, 16 and 17	\$	
Deductions: (Explain all calculations on Form 106)			
19	Exempt inventory (50 IAC 4.2-12-3 and 8) (Attach Form 103-W)	\$	
20	Inventory recorded but not received		
21	Cash, trade and purchases discounts (50 IAC 4.2-5-4(d))		
22	Adjustment from standard to actual cost (50 IAC 4.2-5-4 (e))		
23	Total deductions (Lines 19, 20, 21 and 22)	\$ 0	
24	Total inventory before special adjustments (Line 10 + or - Lines 11, 18 and 23)	9,012	
Special adjustments: (See 50 IAC 4.2-5-13 and 14)			
25	Valuation adjustment @ 35% of Line 24 above	\$ 3,154	
26	Abnormal obsolescence (Must be supported on Form 106)		
27	Total special adjustments (Deduct from Line 24)	\$ 3,154	
28	Total True Tax Value of inventory line 24 minus 27	\$ 5,858	
29	100% Inventory Deduction pursuant to IC 6-1.1-12-41 (Note: This line is only to be used in those counties who have adopted an ordinance allowing a 100% deduction of inventories.)		
30	Total True Tax Value of Assessable Inventory Line 28 minus Line 29 (Enter in Summary on Page 1)	\$ 5,858	
<p>LINE</p> <p>2. All contractor's material on job site is to be reported as inventory if not physically incorporated into land or buildings.</p> <p>6. Show date of inventory as reflected on the books and records on lines (1) thru (5) above.</p> <p>7. If inventory of record as shown on line (6) is not March 1 it must be adjusted to March 1 in accordance with the provisions of 50 IAC 4.2- 5- 6 and explained on Form 106.</p> <p>10. Total inventory on hand March 1 must include all tangible inventory of any nature owned by this person, taxable or non-taxable.</p> <p>14. If inventory of record as adjusted to March 1, reported on line (10), does not include Allocable Expenses as defined in 50 IAC 4.2-5-5 (c), an adjustment must be made to include these costs.</p> <p>22. If adjustment to actual cost is an addition to line (10) show as a negative figure on line (22).</p> <p>25. Note: 35% valuation adjustment may not be applied to work in process and finished goods if taxpayer elects to use the alternative method per 50 IAC 4.2- 5-7. Inventory computation using alternative method must be shown on Form 106 of attached schedule.</p> <p>26. The Abnormal Obsolescence Adjustment must be reported at True Tax Value.</p>			
PENALTIES FOR FAILURE TO FILE COMPLETE RETURN FORMS			
<p>Failure to file a return on or before the due date, as required by law, will result in the imposition of twenty-five dollars (\$25) penalty. In addition, if return is not filed within thirty (30) days after such return is due, a penalty equal to twenty percent (20%) of the taxes finally determined to be due with respect to the property which should have been reported will be imposed. A personal property return is not due until the expiration of any extension period granted by the township assessor under I.C. 6-1.1-3-7 (b). If the total assessed value that a person reports on a personal property return is less than the total assessed value that the person is required by law to report and if the amount of the undervaluation exceeds five percent (5%) of the value that should have been reported on the return, then the county auditor shall add a penalty of twenty percent (20%) of the additional taxes finally determined to be due as a result of the undervaluation.</p>			

Abatement Deduction Schedule

Statement of Benefits (Form SB-1/PP) approved after 06/30/2000 (Machinery and research & develop equipment)

Statement of Benefits (Form SB-1/PP) approved after 06/30/2004 (Information tech or logistical dist equipment)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
One (1) Year	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Two (2) Years	100%	50%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Three (3) Years	100%	66%	33%	0%	0%	0%	0%	0%	0%	0%	0%
Four (4) Years	100%	75%	50%	25%	0%	0%	0%	0%	0%	0%	0%
Five (5) Years	100%	80%	60%	40%	20%	0%	0%	0%	0%	0%	0%
Six (6) Years	100%	85%	66%	50%	34%	25%	0%	0%	0%	0%	0%
Seven (7) Years	100%	85%	71%	57%	43%	29%	14%	0%	0%	0%	0%
Eight (8) Years	100%	88%	75%	63%	50%	38%	25%	13%	0%	0%	0%
Nine (9) Years	100%	88%	77%	66%	55%	44%	33%	22%	11%	0%	0%
Ten (10) Years	100%	90%	80%	70%	60%	50%	40%	30%	20%	10%	0%

ERA Designated and Form SB-1/PP approved after 04/30/1991 and before 07/01/2000 (Machinery and equip only)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Five (5) Years	100%	95%	80%	65%	50%	0%	0%	0%	0%	0%	0%
Ten (10) Years	100%	95%	90%	85%	80%	70%	55%	40%	30%	25%	0%

ERA Designated prior to 07/01/2000 and Form SB-1/PP filed on or after 07/01/2000 (Machinery and equip only)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Five (5) Years	100%	80%	60%	40%	20%	0%	0%	0%	0%	0%	0%
Ten (10) Years	100%	90%	80%	70%	60%	50%	40%	30%	20%	10%	0%

ERA designated prior to 05/01/1991 and SB-1 filed before 05/01/1991 (Machinery and equipment only)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Five (5) Years	100%	95%	80%	65%	50%	0%	0%	0%	0%	0%	0%

Frequently Asked Questions

- Q: A taxpayer has a ten-year abatement, files in year 1, but fails to file in years 2 and 3. The taxpayer returns to file in year 4. What happens?
- A: The abatement schedule will pick-up in year 4 as if the taxpayer had filed in years 2 and 3. The taxpayer will receive an abatement deduction of \$0 for years 2 and 3.
- Q: Can the amount of the abatement deduction be more than the assessed value of the personal property?
- A: Yes, this can happen in the following instances:
The abatement was miscalculated. This can be due to a misinterpretation of the laws determining the assessed value of the abatable equipment.
An inventory deduction exists. (Refer to the following question for additional information).
There is a significant amount of old equipment or tooling receiving an abatement deduction. In this instance, the taxpayer typically hits the "30% floor".
- Q: Can the cost of the qualifying equipment fluctuate from year to year?
- A: The cost of the qualifying equipment is set in the first year of the abatement. Each year thereafter, the cost of the equipment receiving abatement can be adjusted to reflect retired/relocated equipment. However, the cost cannot be increased. The cost can only decrease. If new qualifying equipment is installed, it is reflected on a new line on the pooling schedule.
- Q: What happens when a company with a personal property abatement changes hands and the abatable equipment is rebooked on the first line of Form 103-Long Schedule A?
- A: Provided the company is still using the equipment in an abatable fashion and is still in compliance, the equipment will be abated at the current year percent based on the abatement schedule in place, using the current year assessed value. Note that the rebooked cost on Form 103-Long will probably be lower than the original cost abated and must be adjusted accordingly. Please see IC 6-1.1-12.1-5.4 (f) and IC 6-1.1-12.1-5.4(g) for more information.
- Q: When applying multiple exemptions and abatements with which priority should they be applied? Example: a geothermal deduction, an abatement, etc....

- A: The geothermal deduction should be calculated first. Then a percentage for abatement should be determined. Otherwise, you would be allowing a percentage for abatement and then taking out the total geothermal. In other words, the abatement deduction taken should be calculated based on the same gross as was used for the geothermal deduction and then applied as a proportion to the net assessed value after the geothermal deduction.
- Q: What do you do if the cost under "plus estimated value of proposed project", in section 4 of Form SB-1/PP is less than the actual amount installed?
- A: While the Department of Local Government Finance is processing personal property abatements, our procedure has been to request that the taxpayer obtain a revised Form SB-1/PP to include the additional amount, or process the abatement only for the approved amount on the Form SB-1/PP. When personal property abatements are transferred to county auditors it will be at their discretion.
- Q: What happens if a company retires some of the abated equipment in the eighth year of a 10-year abatement?
- A: The only way to determine this is to compare the cost abated in that year to the current year Schedule A of Form 103-Long. If the cost on Schedule A is less than that abated, reduce the cost abated to the appropriate value from Form 103-Long.
- Q: What is the assessed value used in the abatement calculation?
- A: For equipment installed assessment years 2001 pay 2002 and prior the assessed value abated is the lesser of the true tax value of the abatable equipment or the "first year limit"(IC 6-1.1-12.1-4.5). For equipment installed assessment years 2002 pay 2003 and after, the assessed value abated is the current year assessed value of the abatable equipment as determined on Form 103-Long.

Chapter 4 – Taxpayer Notification of Approved Deduction Amount

After the county auditor calculates the amount of the abatement deduction, the taxpayer is notified via a recommendation and a determination by October 1st of a year. The taxpayer has (15) days to respond to a recommendation and (45) days to respond to a determination.

Recommendation

The taxpayer is first informed of the approved abatement deduction calculated in Chapter 3 using a Recommendation letter. If the amount approved is different than the amount requested by the taxpayer on Form 322 ERA/PPME or Form 322 ERA/PPR&DE, an explanation is included. This difference could be due to the taxpayer's failure to respond to a request for information, disallowed equipment, or miscalculation. The taxpayer is given (15) calendar days from the date of the letter to respond in writing. If a response *is* received, the information is reviewed and a revised Recommendation is issued. If a response *is not* received, a Final Determination is issued. Please refer to the Recommendation insert for Square Peg Corporation.

Final Determination

A determination is made after the (15) day recommendation period. The Final Determination confirms the values issued in the Recommendation. Once a Determination is issued, it cannot be revised or corrected unless due to an error on the part of the DLGF. The taxpayer has (45) days from the date of the notice to appeal the Final Determination. The following insert illustrates a Final Determination for Square Peg Corporation.

As the time approaches to transfer personal property abatement duties to the local level, this chapter will be revised to reflect Auditors' duties.

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT
FINANCE



INDIANA GOVERNMENT CENTER NORTH
100 NORTH SENATE AVENUE N1058(B)
INDIANAPOLIS, IN 46204
PHONE (317) 233-6835
FAX (317) 232-8779

October 7, 2004

Square Peg Corporation
111 Garden Street
Taxtown, IN 47888

County R

SUBJECT: Recommendation concerning the March 1, 2004 Application for Deduction from Assessed Valuation (Form 322 ERA/PPME or Form 322 ERA/PPR&DE) as filed in County R, Indiana.

We have reviewed your claim for deduction from assessed valuation of new manufacturing equipment or new research and development equipment installed in an Economic revitalization Area as of March 1, 2004.

You are hereby notified that we intend to approve your claim as follows:

Prior Years' Approved Claim	\$3,900
Current Year Approved Claim	\$34,985
Total Approved Claim	\$38,890

If the above amount is different than the amount claimed, it is due to the following reason(s):

You have 15 days from the date of this recommendation to submit a written response. If a response is not received, a Final Determination will be issued.

Reminder:

A taxpayer is required to show compliance with all Statement of Benefits approved after June 30, 1991. You must file Form CF-1 annually with the County Auditor and the Designating Body showing ongoing compliance. A Statement of Benefits must be approved prior to the installation of any new manufacturing equipment or new research and development equipment.

Should you have additional questions, you may contact the Department of Local Government Finance at (317) 233-6835 or via fax at (317) 232-8779.

DEPARTMENT OF LOCAL GOVERNMENT FINANCE

STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT
FINANCE



INDIANA GOVERNMENT CENTER NORTH
100 NORTH SENATE AVENUE N1058(B)
INDIANAPOLIS, IN 46204
PHONE (317) 233-6835
FAX (317) 232-8779

October 27, 2004

Square Peg Corporation
111 Garden Street
Taxtown, IN 47888

County R

Final Determination

Pursuant to Indiana Code 6-1.1-12.1-5.4, you are hereby notified that the Department of Local Government Finance has determined the assessed value for the deduction for the new manufacturing equipment located in an Economic Revitalization Area to be as follows:

Assessment as of March 1, 2004

Assessed Value of Approved Abatement = \$38,890

County R – Tulip Township

If you wish to initiate an appeal of the Department of Local Government Finance's Final Determination, you must file the original Form 139, Petition for Review of Department of Local Government Finance Action, with the Indiana Board of Tax Review not more than forty-five (45) days from the date of this notice. You must also file a copy with the county assessor, township assessor, and the Department of Local Government Finance.

(See IC 6-1.1-12.1-5.4)

DEPARTMENT OF LOCAL GOVERNMENT FINANCE

Frequently Asked Questions

- Q: What if the Recommendation is returned as "Return to Sender" by the U.S. Postal Service?
- A: It will be up to each county how to handle this situation. An option for the county is to move ahead with the Determination after (15) days and keep the "Return to Sender" envelope with the file. If the abatement is appealed, it will be handled at that time.
- Q: A Recommendation is issued for \$0 because there is insufficient information to process a deduction. The taxpayer submits some of the information, but not all of the information. What happens?
- A: It will be at the discretion of the Auditor if they go ahead with a Final Determination or issue another Recommendation. The biggest concern is that whatever decision is made it is consistent with the actions taken on all other abatement files.

Chapter 5 – Appeal Process

A taxpayer may appeal a Final Determination by filing the appropriate paperwork not more than forty-five (45) days after the date of the Final Determination.

If a taxpayer is appealing a Determination issued by the Department of Local Government Finance, they must file Form 139 within (45) days of the date of the Determination with the Indiana Board of Tax Review and copy the County Assessor, the Township Assessor, and the Department of Local Government Finance.

Should the Auditor issue the Final Determination, the taxpayer appeals by filing a complaint in the office of the clerk of the circuit or superior court where the property is located not more than forty-five (45) days after the date of the notice.

If an abatement is under appeal, the taxpayer can pay on the non-contested portion of the abatement amount. However, if the appeal is resolved and the taxpayer owes the money, it is possible they may also have to pay a penalty on the delinquent amount (contested portion) if the appeal is settled after the tax deadline. If it is determined that the taxpayer won the appeal and the assessment is reduced, the taxpayer will receive a refund plus interest at 4 percent (the current rate of interest as specified under IC 6-1.1-37-11) if taxes were paid.

Please see IC 6-1.1-12.1-5.4 for more information.

Frequently Asked Questions

- Q:** Does a county have the authority to overrule a decision regarding a personal property tax abatement made by a city?
- A:** As long as the property in question is under the jurisdiction of the city, the county cannot overrule the city. If a taxpayer disagrees with a decision regarding a personal property tax abatement, they must follow the appeal procedures set forth in IC 6-1.1-12.1.
- Q:** Which court would hear Economic Revitalization Area appeals?
- A:** Indiana Board of Tax Review will hear appeals on personal property economic revitalization abatement Final Determinations issued by the Department of Local Government Finance. A taxpayer will appeal by filing Form 139 within (45) days of the date of the Determination with the Indiana Board of Tax Review and copy the County Assessor, the Township Assessor, and the Department of Local Government Finance. If the Auditor issues the Determination, a taxpayer will appeal by filing a complaint in the office of the clerk of the circuit or superior court not more than forty-five (45) days after the auditor gives the person notice of the determination.

Chapter 6 – Deduction from Assessed Value

Deduction from Assessed Value

The County Auditor provides assessed value information, which allows the Department of Local Government Finance to certify tax rates. County Auditors must provide the certified assessed value to all taxing units and the Department of Local Government Finance on or before August 1 of each year.

The net assessed value information provided to taxing unit's serves as the basis for setting tax rates for real and business personal property. The County Auditor's certification is submitted on the Auditor's Certificate of Net Assessed Value form provided by the Department of Local Government Finance. Department of Local Government Finance Budget personnel use the assessed value information to calculate tax rates, rate cap adjustments, annexation growth, and assessed value growth.

Prior to submission of the information, assessed value, deduction and exemption data is gathered locally by township assessors and the county assessors. County Assessors must work with trustee and township assessors to meet the June 1 deadline for assessments pursuant to IC 6-1.1-5-14 which reads, "On or before the first Monday in June of each year, each township assessor shall, under oath, prepare and deliver to the county auditor a detailed list of the real property listed for taxation in the township..."

The following table illustrates the various timelines for local officials with respect to the certification of assessed values.

	PERSONAL PROPERTY DEADLINES	REAL ESTATE DEADLINES
TWP ASSESSOR TO COUNTY ASSESSOR	June 1	May 15
COUNTY ASSESSOR TO COUNTY AUDITOR	July 1	July 1
COUNTY AUDITOR TO TAXING UNITS & DLGF	August 1	August 1

Using the gross assessed value information provided by the County Assessor, the County Auditor applies deductions and exemptions to derive a net assessed value for each taxing district that is used for reporting requirements. Examples of deductions include personal or real property abatements, mortgage, homestead, over 65, service connected disabled veterans, and others. Examples of exemptions include the exclusion of assessed value if it is owned, occupied, and used by a town, city, township, or county for educational, charitable, scientific, or other purposes as specified in IC 6-1.1-10-16. Abatement

deductions comprise the majority of assessed value being removed from the property tax rolls. Therefore, calculation of correct abatement amounts is paramount to the process.

The importance of accurate assessed values reduces the potential for shortfalls and/or levy excess experienced by local units of government. Accurate assessed values result in accurate tax rates that provide taxpayers with a realistic assessment of a unit's financial needs.

Township Assessors, who do not meet this deadline, limit the ability of the Auditor to provide accurate information concerning assessed valuation and tax estimates to each political subdivision by August 1 of each year, as required by IC 6-1.1-17-1. This statute reads, "On or before August 1 of each year, the county auditor shall send a certified statement, under the seal of the board of county commissioners, to the fiscal officer of each political subdivision of the county and the department of local government finance.

The statement shall contain:

- (1) information concerning the assessed valuation in the political subdivision for the next calendar year;
- (2) an estimate of the taxes to be distributed to the political subdivision during the last six (6) months of the current calendar year;
- (3) the current assessed valuation as shown on the abstract of charges;
- (4) the average growth in assessed valuation in the political subdivision over the preceding three (3) budget years, excluding years in which a general reassessment occurs, determined according to procedures established by the department of local government finance; and
- (5) any other information at the disposal of the county auditor that might affect the assessed value used in the budget adoption process.

With the implementation of the inventory deduction and interstate commerce exemption, it is more critical than ever for County Auditor's to have accurate assessed value information. Beginning in 2004 pay 2005, when certifying estimates of assessed value, county officials had to consider whether the inventory deduction or interstate commerce exemptions, was applicable. Township Assessors provide the information to County Assessors, who in turn certify the interstate commerce exemption or inventory deduction assessed values to the County Auditor for this purpose. County Auditors must provide the assessed value information on a taxing district basis for purposes of rate cap calculations for cumulative and capital project funds. Units must advertise and adopt rates high enough to accommodate any adjustment in assessed value.

The importance of certifying accurate estimates of assessed values is underlined by the greater scrutiny that taxpayers will likely bear on the budget process. Each year, taxpayers place more pressure on local officials to respond to their concerns during the objection period between the local budget hearing and the adoption hearing of each political subdivision. This objection period allows ten or more taxpayers to file an objecting petition, against the budget, rates, or levies proposed by the proper officers of

the political subdivision, within seven (7) days after the public hearing. If political subdivisions have certified estimates of assessed value from auditors, they can use them to explain the rates they adopt. If any objections are filed, political subdivisions must adopt with its budget findings and justifications in response to the objections raised in the petition(s) filed.

The assessed values certified to the Department of Local Government are used for budget, tax rate, and tax levy calculations and certifications. IC 6-1.1-17-16(g) directs the Department of Local Government Finance to complete its duty of certification of final budgets, tax rates, and tax levies by February 15 of each year for taxes to be collected during that year.

Achieving a timely certification of assessed values benefits taxpayers, local officials, and the Department of Local Government Finance by reducing interest expense to units and taxpayers, eliminating abstract reworks, and effectively achieving statutory requirements.

Publication of Abatement Deductions

By December 31st of each year, all personal property abatement deductions are certified and published. In other words, by December 31, 2004, all personal property abatement deductions for the March 1, 2004 assessment year will be published. If the personal property abatement amount certified is different than that calculated in Chapter 3, the county auditor should adjust the rolls accordingly. Please note the following cite with regards to the publication deadline:

IC 6-1.1-12.1-8

Publishing and filing deductions

Sec. 8. (a) Not later than December 31 of each year, the county auditor shall publish the following in a newspaper of general interest and readership and not one of limited subject matter:

(1) A list of the approved deduction applications that were filed under this chapter during that year. The list must contain the following:

(A) The name and address of each person approved for or receiving a deduction that was filed for during the year.

(B) The amount of each deduction that was filed for during the year.

(C) The number of years for which each deduction that was filed for during the year will be available.

(D) The total amount for all deductions that were filed for and granted during the year.

(2) The total amount of all deductions for real property that were in effect under section 3 of this chapter during the year.

(3) The total amount of all deductions for new manufacturing equipment or new research and development equipment, or both, that were in effect under section 4.5 of this chapter during the year.

(b) The county auditor shall file the information described in subsection (a)(2) and (a)(3) with the department of local government finance not later than December 31 of each year.

As added by P.L.77-1989, SEC.3. Amended by P.L.42-1992, SEC.5; P.L.4-2000, SEC.11; P.L.90-2002, SEC.125.

Please note the following publication sample for Square Peg Corporation:

<u>Personal Property</u>	<u>Remaining Years in</u>	<u>March 1, 2003</u>
	<u>Abatement</u>	<u>Abatement</u>
	<u>(including 2003)</u>	<u>Amount</u>
Square Peg Corporation 111 Garden Street Taxtown, IN 47888	10 Years	\$34,985
COUNTY R PERSONAL PROPERTY TOTAL		\$34,985

Abatement Fee

At the same time the deduction amounts are published, the County Auditor should calculate the abatement fee. Any designating body within the State of Indiana who has the power to grant a personal property abatement can grant an abatement fee. The purpose of the fee is to supply additional funds to support local economic development. According to IC 6-1.1-12.1-14, an abatement fee must be distributed to one (1) or more public or nonprofit entities established to promote economic development within the city, town, or county served by the designating body. The designating body sets any distribution of the fee.

The fee can apply only to Statement of Benefits approved July 1, 2004 and after. A property owner is subject to the fee only if they consent and only if it is incorporated into the initial approval of the Statement of Benefits by the designating body.

An abatement fee is calculated by the County Auditor and paid to the County Treasurer using the following method specified under IC 6-1.1-12.1-14:

STEP ONE: Determine the additional amount of property taxes that would have been paid by the property owner during the year if the deduction had not been in effect.

STEP TWO: Multiply the amount determined under STEP ONE by the percentage determined by the designating body under subsection (b), which may not exceed fifteen percent (15%). The percentage determined by the designating body remains in effect throughout the term of the deduction and may not be changed.

STEP THREE: Determine the lesser of the STEP TWO product or one hundred thousand dollars (\$100,000).

Frequently Asked Questions

- Q:** A company has filed for an abatement. The Auditor's office did not receive the final value of the abatement from the Department of Local Government Finance until late May. The abatement will wipe out the fall installment, and put the spring payment into an overpayment. Does the Auditor pay interest on the overpayment of the spring payment?
- A:** Yes. The Auditor pays interest following IC 6-1.1-37-11 from the date on which the taxes were paid or due, whichever is later, to the date of the refund or credit. An alternative is to use an estimated abatement value when determining the net tax liability of the taxpayer. Please see IC 6-1.1-15-11 and IC 6-1.1-26-1 for additional refund information.

Glossary

The following definitions were taken from the Indiana Administrative Code (IAC), the Indiana Code (IC), or developed by the DLGF. This information has been given strictly in the context of personal property abatements. For additional information regarding these terms, please refer to the citation indicated.

30% Floor

The floor is the greater of the total true tax value from Form 103-Long Schedule A or 30% of the adjusted cost from the same schedule. The 30% floor is in effect for all taxpayers for the March 1, 2001 assessment year and prior. For assessment years March 1, 2003 and after, the 30% floor is in effect for all taxpayers except those subject to Pool 5. The 30% floor was *not* in effect for the March 1, 2002 assessment year. *IC 50-4.2-4-9*

Abatement

Please see Personal property abatement.

Abatement fee

Please refer to Chapter 6 – Deduction from Assessed Value. *IC 6-1.1-12.1-14*

Abnormal obsolescence

That obsolescence which occurs as a result of factors over which the taxpayer has no control and is unanticipated, unexpected, and cannot reasonably be foreseen by a prudent businessman prior to the occurrence. It is of a nonrecurring nature and includes unforeseen changes in market values, exceptional technological obsolescence, or destruction by catastrophe that has a direct effect upon the value of the personal property of the taxpayer at the tax situs in question on a going concern basis. *50 IAC 4.2-9-3*

Assessed value

Also called “assessed valuation”. For assessment dates before March 1, 2001, an amount equal to thirty-three and one-third percent (33-1/3%) of the true tax value of property. For assessment dates after February 28, 2001, an amount equal to one hundred percent (100%) of the true tax value of property. *IC 6-1.1-1-3*

Assessment date

In the State of Indiana, March 1st for all tangible property, except mobile homes as defined in IC 6-1.1-7-1. *IC 6-1.1-1-2*

Capital lease

Typically considered the financing of equipment. Includes sales-type leases, direct financing leases, and leveraged leases where the property in question transfers to the lessee at the end of the lease. The lessee for federal income tax purposes should capitalize these leases. The claim for deduction (Form 322 ERA/PPME or Form 322 ERA/PPR&DE) is filed by the lessee. *50 IAC 4.2-8-2*

City

As defined for the purpose of this manual, a municipality within Indiana governed under a charter granted by the state.

CIP

See Construction in process.

Compliance with Statement of Benefits – Personal Property

See Form CF-1/PP.

Construction in process

Tangible personal property not placed in service. This does not include the inventory of a contractor that is not a part of the real or personal property under construction. *50 IAC 4.2-6-1*

Current year limit

Applies to equipment installed March 1, 2001 and prior and, once calculated, will hold for the life of the abatement. It is the increase in investment in personal property from the prior year. It is calculated by subtracting the prior year true tax value of personal property other than inventory (Schedule A Form 103-Long) less the true tax value of equipment not placed in service in the prior year from the current year true tax value of personal property other than inventory (Schedule A Form 103-Long) less the true tax value of equipment not placed in service in the current year. If the value calculated is negative, the limit is \$0. *IC 6-1.1-12.1-4.5*

Deduction

A situation where a taxpayer is permitted to subtract a fixed dollar amount from the assessed value of his property. *IC 6-1.1-1-5*

Depreciable Personal Property

All tangible personal property that is used in a trade or business, for the production of income, or held as an investment that should be or is subject to depreciation for federal income tax purposes. *50 IAC 4.2-1-1*

Designating body

For a county without a consolidated city, the designating body is the fiscal body of the city, county, or town. For a consolidated city, the designating body is the metropolitan redevelopment commission. *IC 6-1.1-12.1-1*

Designation application

An application filed with a designating body to assist in making a determination about whether a particular area should be designated as an ERA. *IC 6-1.1-12.1-1*

Equipment not placed in service at cost

All tangible personal property which has not been depreciated and is not eligible for federal income tax depreciation under Section 167 of the Internal Revenue Code of 1986. Real property, inventory, special tools, leased property, returnable containers, and property described in 50 IAC 4.2-6-1(d) are not included as equipment not placed in service at cost. *50 IAC 4.2-6-1*

ERA

Economic Revitalization Area – An area that is within the corporate limits of a city, town, or county that has become undesirable for, or impossible of, normal development and occupancy. *IC 6-1.1-12.1-1*

Extension

Any extended due date for the filing of Form 103-Long (Business Tangible Personal Property Return) must be granted by the township assessor/trustee. This extended due date would then, in turn, apply to Form 322 ERA/PPME and Form 322 ERA/PPR&DE. *IC 6-1.1-3-7(b)*

Filing date

In the State of Indiana, May 15th or the extended due date as granted under *IC 6-1.1-3-7*. *IC 6-1.1-1-7*

First year limit

See *Current year limit*.

Form 103-Long Form

Business Tangible Personal Property Assessment Return (State Form 11405). The current and prior years Form 103-Long Forms are required to be filed with the current year Form 322 ERA/PPME or Form 322 ERA/PPR&DE.

Form 322 ERA/PPME

Application for Deduction from Assessed Valuation – New Manufacturing Equipment in Economic Revitalization Area (State Form 19338). Required to be filed each year a personal property abatement is desired. Form must be filed with the Auditor of the county in which the abatable equipment resides by the filing date. Applies only to new manufacturing equipment. *50 IAC 10-3-2*

Form 322 ERA/PPR&DE

Application for Deduction from Assessed Valuation – New Research and Development Equipment in Economic Revitalization Area (State Form 49864). Required to be filed each year a personal property abatement is desired. Form must be filed with the Auditor of the county in which the abatable equipment resides by the filing date. Applies only to new research and development equipment. *50 IAC 10-3-2*

Form SB-1/PP

Statement of Benefits – Personal Property (State Form 51764) The document or form on which the property owner submits information regarding the installation of new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment to the designating body. One form is filed for each project or improvement. Includes the cost of the equipment to be installed, number of employees to be retained and added, as well as anticipated salaries of new employees. Form SB-1/PP may be incorporated into the designation application. *50 IAC 10-1-9*

Form CF-1/PP

Compliance with Statement of Benefits – Personal Property (State Form 51765) Filed annually for new manufacturing equipment, new research and development equipment, new logistical distribution equipment, or new information technology equipment with Form 322 ERA/PPME or Form 322 ERA/PPR&DE between March 1st and May 15th of each year, unless a filing extension has been granted under IC 6-1.1-3.7. Shows the designating body the extent to which the taxpayer has fulfilled the expectations set forth on Form SB-1/PP. *50 IAC 10-3-4*

Governing body

Please see *Designating body*.

Installed

Personal property that is completely assembled, completely functional for the purpose for which it was acquired, and placed in service. The personal property is not subject to a preliminary testing period or process. If the personal property is part of an integrated production process, the process must be complete and functional for the property to be considered installed. *50 IAC 10-1-2*

Lessee

A person or entity that receives the use and possession of leased property (e.g., real estate or equipment) from a lessor in exchange for a payment of funds. The person to whom a lease is made. *50 IAC 4.2-8-2*

Lessor

A person or entity that owns property (for example, real estate or equipment) to which a lessee receives use and possession in exchange for a payment of funds. *50 IAC 4.2-8-2*

New manufacturing equipment

Acquired personal property that is, by definition, qualifying machinery and equipment. The capitalized amount of expenditures for the major rebuilding/reworking of existing production equipment, if the expenditures are capitalized for federal income tax purposes and substantially increase the productivity or capacity of existing manufacturing equipment, substantially prolong the useful life of existing manufacturing equipment, or adapt the manufacturing equipment to a substantially different use. *50 IAC 10-1-3*

New information technology equipment

Personal property installed after June 30, 2004 and before January 1, 2006, in an ERA located in a county referred to in IC 6-1.1-12.1-2.3 (Allen, Delaware, Grant, Huntington, Madison, Wells) and consists of equipment, including software, used in the fields of information processing, office automation, telecommunication facilities and networks, informatics, network administration, software development, or fiber optics. Equipment acquired by the owner for these purposes and never before used by the owner for any other purpose in Indiana. *IC 6-1.1-12.1-1*

New logistical development equipment

Personal property installed after June 30, 2004 and before January 1, 2006, in an ERA located in a county referred to in IC 6-1.1-12.1-2.3 (Allen, Delaware, Grant, Huntington,

Madison, Wells) and consists of racking equipment, scanning or coding equipment, separators, conveyors, forklifts or lifting equipment (including "walk behinds"), transitional moving equipment, packaging equipment, sorting and picking equipment, or software for technology used in logistical distribution. Equipment acquired by the owner for these purposes and never before used by the owner for any other purpose in Indiana. *IC 6-1.1-12.1-1*

New research and development equipment

Acquired personal property that is, by definition, qualifying research and development equipment. Used in research and development activities devoted directly and exclusively to experimental or laboratory research and development for new products, new uses of existing products, or improving or testing existing products. Equipment acquired by the owner for these purposes and never before used by the owner for any other purpose in Indiana. *IC 6-1.1-12.1-1*

Normal obsolescence

Anticipated or expected reduction in the value of business personal property that can be foreseen by a reasonable, prudent businessman when property is acquired and placed into service. In general, it includes the expected, declining value through use, gradual decline in value because of expected technological improvements, the gradual deterioration or obsolescence through the mere passage of time, and the general assumption that such property will have a minimum value at the end of its useful life. *50 IAC 4.2-9-2*

Obsolescence

Reduction in the value of business personal property that occurs through use, technological improvements, passage of time, changes in market values, and physical deterioration or destruction. *50 IAC 4.2-9-1*

Operating lease

Typically considered the renting of equipment whereby, at the end of the lease, title of the equipment in question does not transfer to the lessee. Includes all types of leases other than those identified under capital lease. The claim for deduction (Form 322 ERA/PPME or Form 322 ERA/PPR&DE) is filed by the lessor. *50 IAC 4.2-8-2*

Other tangible personal property

Personal property that is the end product of the production process. Can include energy, if that energy results from a conversion or a solid or hazardous waste. These items are not abatable. *50 IAC 10-1-4*

Permanently retired equipment

Depreciable personal property that has been removed from the manufacturing process on the assessment date, or has been removed from services other than manufacturing on the assessment date, and is awaiting disposition, and must be scheduled to be scrapped, removed or disposed of and will be considered to be permanently retired providing the taxpayer actually scraps or sells such property. *50 IAC 4.2-4-3*

Personal property

Generally means property that is not permanently affixed to and a part of the real estate. *50 IAC 4.2-1-1*

Personal property abatement

A property tax deduction from assessed valuation granted by a designating body for the installation of new manufacturing equipment or new research and development equipment in an ERA. New manufacturing equipment must be installed and prior to 01/01/2006. New research and development equipment must be installed after 06/30/2000 and prior to 01/01/2006.

Pollution control equipment – Air pollution equipment

Employed predominantly in the operation of an air pollution control system designed and used for the improvement of public health and welfare by the prevention or elimination of air contamination caused by industrial waste or contaminants. *50 IAC 4.2-11-6*

Pollution control equipment – Water pollution equipment

Used predominantly for the purpose of accomplishing the objectives of the Indiana Department of Environmental Management to prevent pollution of streams and public bodies of water by treating and/or disposing of waste and contaminants generated by such plant. *50 IAC 4.2-11-6*

Pooling

Assets are placed in a particular "pool" based on the depreciable life or federal tax life of the assets. The four "pools" are located on page 3 of Form 103-Long and are used to calculate the true tax value of personal property other than inventory.

Property

Property is a building or structure, but not land. *IC 6-1.1-12.1-1*

Qualifying machinery and equipment

Equipment used in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining, or refinishing of other tangible personal property, including, but not limited to, use to dispose of solid or hazardous waste by conversion of that into energy or other useful products. Was acquired for the owner for one of these uses and was never used for any other purpose. Can include shelves, racks, or other temporary storage facilities or containers used to transport or convey work-in-progress between one step in the production process to another step in the process. *50 IAC 10-1-6*

Qualifying research and development equipment

Personal property installed after 06/30/2000 and before 01/01/2006 in an ERA and consists of laboratory equipment, research and development equipment, computers and computer software, telecommunications equipment, or testing equipment. Equipment acquired by the owner for these purposes and never before used by the owner for any other purpose in Indiana. *50 IAC 10-1-6.5*

Qualifying information technology equipment

See New information technology equipment.

Qualifying logistical distribution equipment

See New logistical distribution equipment.

Redevelopment

The construction of new structures in an Economic Revitalization Area (ERA) either on unimproved real estate or on real estate upon which a prior existing structure is demolished to allow for new construction. *IC 6-1.1-12.1-1*

Rehabilitation

The remodeling, repair, or betterment of property in any manner or any enlargement or extension of property. *IC 6-1.1-12.1-1*

Special tools

Known as "tooling" or "special tooling". Includes, but is not limited to, tools, dies, jigs, fixtures, gauges, molds, and patterns acquired or made for the production of products or product models which are of such specialized nature that their utility generally ceases with the modification or discontinuance of such products or product models. The cost of tooling for a taxpayer can be found on Form 103-T (Return of Special Tools). *50 IAC 4.2-1-1*

Statement of Benefits – Personal Property

Refer to *Form SB-1/PP*.

Tangible Personal Property

Goods or items of personal property that are the end product of the production process. A processed end product must be substantially different from the component materials used. Includes energy, if that energy results from the conversion of a solid waste or a hazardous waste. *50 IAC 10-1-4*

Tax abatement

Refer to *Personal property abatement*.

Tooling

Refer to *Special tools*.

Town

Any town incorporated under IC 36-5-1.

True Tax Value

The resultant value of property determined in accordance with the rules issued by the state board, exclusive of those portions of the rule related to determining assessed value. The true tax value for personal property can be determined using Schedule A of Form 103. *50 IAC 4.2-1-1*

Appendix A – Personal Property

When considering whether or not assets are abatable, one must first confirm if the asset is assessable as personal or real property. **Personal property is defined as property that is not permanently affixed to and part of the real estate.** Personal property can be divided into subgroups called tangible and depreciable personal property. Tangible personal property means goods or items of personal property that are the end product of the production process. It includes energy, if that energy results from the conversion of a solid waste or a hazardous waste. The assessment of tangible personal property falls under 50 IAC 4.2, which is commonly called the Personal Property Rule or Regulation No. 16.

On the following pages is a personal property and real estate guide to assist with questionable items and their assessability as real or personal property. It is a useful tool when evaluating equipment lists and whether the property qualifies for a personal property tax abatement.

Agricultural irrigation system including distribution system above or below ground - Personal

Air conditioning:

Building air conditioning for comfort of occupants - Real

Package units, through the wall commercial - Real

Special process to maintain controlled temperature and humidity - Personal

Air lines for machinery and equipment - Personal

Aluminum pot lines - Personal

Anhydrous ammonia tanks:

Stationary - Real

Portable - Personal

Ash handling system, pit and framing related to system - Personal

Asphalt mixing plant and equipment (movable) - Personal

Auto-call and telephone system - Personal

Bar and equipment - Personal

Bins - permanently affixed for storage - Real

Boilers:

Manufacturing process - Personal

Building service - Real

Booths for welding - Personal

Bowling alley lanes - Personal

Bucket elevators (open or enclosed including casing) - Personal

Building, such as special constructed storage, poultry, livestock processing buildings - (not including machinery or equipment) - Real

Bulkheads making additional land area to be assessed with and as part of the improved land - Real

Carpeting, commercial - (Real or Personal) - The real property assessment includes a finished floor. If the carpet is installed over an existing finished floor, then carpeting becomes personal property. If, as in the case of many newer buildings, carpeting has been specified and is the only finished floor, then carpeting is assessed as real property.

Cistern - Real

Coal, handling system - Personal

Cold storage:

Built-in cold storage rooms - Real.

Cold storage refrigeration equipment - Personal

Cold storage, prefab walk-in type - Personal

Control booth - Personal

Conveyor:

Housing - Personal

Tunnels - Real

Unit including belt and drives - Personal

Cooling Towers:

Primary use for manufacturing - Personal

Primary use for building - Real

Crane:

Moving crane - Personal

Runways including supporting columns or structure and foundation inside or outside of buildings - Personal

Dock levelers - Personal

Drapes - Personal

Drying rooms:

Structure - Real

Heating System - Personal

Dust catchers - Personal

Fence, security - Real

Fire alarm system - Personal

Fire walls, masonry - Real

Floors, computer room - Real

Foundations for machinery and equipment - Personal

Gas lines for equipment or processing - Personal

Grain bins, storage - Real

Grain drying equipment - Personal

Grain drying equipment (such as: augers, aerators) - Personal

Grain elevators (commercial, industrial), storage, silos, tanks, cupolas, workinghouse, headhouse, and milling space - Real

Grain elevator machinery and equipment (commercial, industrial) such as legs (inside or outside), conveyors, spouting, hopper scales, man lifts, aeration systems, grain cleaners, grain dryers, mechanical grain dumping equipment, loading and unloading systems, truck scales, all processing machinery and equipment - Personal

Gravel plant - machinery and equipment - Personal

Greenhouses:
Building - Real

Benches and heating system - Personal

Hoist, hoist pits - Personal

Hydraulic lines - Personal

Irrigation equipment - Personal

Kilns:
Lumber, drying kiln structure - Real
Concrete block, drying kiln structure - Real

Laundry, steam-generating equipment - Personal

Lighting:
Yard - Personal
Special purpose, inside - Personal
Service station (except building) - Personal

Mixers and mixing houses - Personal

Ore bridge foundation - Personal

Ovens, processing - Personal

Piping, process piping above or below ground - Personal

Pits for equipment or processing - Personal

Pools, swimming, in-ground or above-ground - Real

Power lines and auxiliary equipment - Personal

Pumps and motors - Personal

Pump house (including substructure) - Real

Racks and shelving (portable or removable) - Personal

Railroad siding (except belonging to railroad) - Real

Ready-mix concrete batch plant and equipment - Personal

Refrigeration equipment - Personal

Refrigerated display cabinets - Personal

Sanitary system - Real

Satellite dishes:
Commercial use - Personal

Scale houses - Real

Scales:
Truck or railroad scales including pit - Personal
Dormant scales - Personal

Septic system (priced with land) - Real

Sheds or buildings:
Permanent, affixed or portable confinement buildings - Real
Agricultural open portable pull-type - Personal
Detached storage structures - Real

Signs, including supports and foundation - Personal

Silos:
Containing a manufacturing process - Personal
Farm storage silos - Real
Silo equipment - Personal
Storage - Real

Spray pond:
Masonry reservoir - Real
Piping and equipment - Personal

Sprinkler system - Real

Stacks:
Supported individually and servicing heating boilers - Real
Servicing personal property units or a process - Personal

Steam electric generating plant and equipment - Personal

Stone crushing plant, equipment - Personal

Storage facilities, permanent of masonry or wood - Real

Storage vaults and doors, including bank vaults and doors - Real

Substation:

Building - Real

Equipment - Personal

Tanks:

Storage only (except as indicated below) above or below ground - Real

Used as a part of a manufacturing process - Personal

Underground gasoline tanks at service stations - Personal

Towers, TV or radio broadcasting - Personal

Transformers - Personal

Tunnels - Real

Tunnels, waste heat, or processing - Personal

Unit heaters, nonportable - Real

Unit heaters, portable - Personal

Unloader runway - Personal

Ventilating - Real

Ventilating system for manufacturing equipment - Personal

Walls, portable partitions - Personal

Water lines, for processing above or below ground - Personal

Water pumping station, building and structure - Real

Water pumps and motors - Personal

Water treating and softening plant building and structure - Real

Water treating and softening equipment - Personal

Wells, pumps, motors, and equipment - Personal

Wiring - power wiring - Personal

50 IAC 4.2-4-10

Depreciable personal property encompasses all tangible personal property that is used in a trade or business, used for the production of income, or held as an investment that should be or is subject to depreciation for federal income tax purposes. This kind of property is deemed depreciable property when a depreciation deduction is allowable for federal income tax purposes. All depreciable personal property is reported annually on one of three forms:

- Business Tangible Personal Property Assessment Return (Form 103-Long)
- Farmer's Tangible Personal Property Assessment Return (Form 102)
- Tax Return –Fixed Personal Property of Public Utilities (Form 1)

Most taxpayers report depreciable personal property on Schedule A of Form 103-Long. Equipment is placed on Schedule A, also called the pooling schedule, by year of acquisition and depreciation for federal tax purposes. Adjustments to Schedule A and Form 103-Long are made in the form of attachments to Form 103-Long. The following lists only those schedules used in reference to personal property tax abatements:

- Information Return of Not Owned Assessed Personal Property (Form 103-N)
- Information Return of Owned Personal Property (Form 103-O)
- Claim for Exemption of Air or Water Pollution Control Facilities (Form 103-P)
- Return of Special Tools (Form 103-T)
- Schedules of Adjustments to Business Tangible Personal Property Return (Form 106)

Retired equipment (Line 61, Schedule A, Form 103-Long) and abnormal obsolescence (Line 65, Schedule A, Form 103-Long) are reported on Form 106. Permanently retired equipment has been removed from the manufacturing process and is awaiting disposition. By categorizing equipment as “permanently retired”, it is removed from the pooling schedule and, thereby, decreases the Schedule A true tax value. Abnormal obsolescence has the same effect on the true tax value, however, it is defined as obsolescence which occurs as a result of factors over which the taxpayer has no control and is unanticipated, unexpected, and cannot reasonably be foreseen by a prudent businessman prior to the occurrence.

Another reduction in true tax value can be taken in the form of an exemption for pollution control equipment (air or water pollution) using Form 103-P. Air pollution equipment is employed predominantly in the operation of an air pollution control system designed and used for the improvement of public health and welfare by the prevention or elimination of air contamination caused by industrial waste contaminants. Water pollution equipment is mainly used to accomplish the objectives of the Indiana Department of Environmental Management to prevent the pollution of streams and public bodies of water by treating and/or disposing of waste and contaminants generated by such plants. Any equipment that qualifies for a pollution control exemption does not qualify for tax abatement.

On occasion, a taxpayer will find an error on Form 103-Long or any of the attachments filed with the township assessor. The taxpayer may file an amended return within six months from the filing date (November 15th if no extension granted or up to December 14th if extension granted) by writing, “AMENDED” on top of the original amended

return. The amended return could effect the personal property tax abatement, therefore, the Auditor is encouraged to maintain a list of all personal property tax abatements in their county and check with the Assessor by December 14th of each year for a copy of all applicable amended returns. Communication between the Auditor's office and the Assessor's office is crucial in determining if an amended personal property return has been filed.

If additional information regarding depreciable personal property is needed, please refer to 50 IAC 4.2, also known as Regulation No. 16.

Appendix B – Sample Forms



APPLICATION FOR DEDUCTION FROM ASSESSED VALUATION New Research and Development Equipment in Economic Revitalization Area

State Form 49664 (PG 1/3-04)

Prescribed by the Department of Local Government Finance

The records in this series are CONFIDENTIAL according to IC 6-1.1-3.5.9

MARCH 2004

FORM
322 ERAPPRADE

INSTRUCTIONS:

1. This form is to be filed with the Auditor of the county in which "New Research and Development Equipment" is located (IC 6-1.1-12.1).
2. This form is to be filed between March 1 and May 15 of each year, unless a filing extension under IC 6-1.1-3.7 has been granted. A person who obtains a filing extension must file the form between March 1 and the extended due date of each year.
3. A deduction application must be filed in the year the new research and development equipment is installed and in each of the immediately succeeding years to obtain the full tax abatement which is available for each new layer of investment.
4. Attach copies of the current year and immediately preceding year BUSINESS TANGIBLE PERSONAL PROPERTY ASSESSMENT RETURN (Form 103).
5. A copy of the STATEMENT OF BENEFITS (Form SB-1) signed by the designating body must be attached to this application.
6. Form CF-1 MUST be filed with this application and the designating body showing compliance for all STATEMENT OF BENEFITS approved after June 30, 1991. (IC 6-1.1-12.1-5.6)
7. A copy of the resolution must be attached to this application.
8. Please see IC 6-1.1-12.1 and 52 IAC 4.2-4.3 for further information.
9. Property claimed for this deduction may not be claimed for any other deductions. IC 6-1.1-12.1-6.

SECTION 1 TAXPAYER INFORMATION		
Name of taxpayer		
Full address (street and number, city, state and ZIP code)		
County	Township	Tooling district
Name of contact person		Telephone number ()

SECTION 2 ECONOMIC REVITALIZATION AREA DESIGNATION APPROVAL		
The owner hereby applies to the County Auditor, pursuant to IC 6-1.1-12.1, for a deduction from the assessed valuation on the following "New Research and Development Equipment" effective March 1, 2004.		
Name of body designating the economic revitalization area		Resolution number
Date designation approved (month, day, year)	Date designation will terminate (month, day, year)	Does resolution limit dollar amount of deduction? <input type="checkbox"/> Yes <input type="checkbox"/> No
Description of equipment (use additional sheets if necessary)		Date installed (month, day, year)
		Cost \$

SECTION 3 THIS SECTION MUST ONLY INCLUDE ELIGIBLE EQUIPMENT INSTALLED BETWEEN THE PRIOR ASSESSMENT DATE AND THE CURRENT ASSESSMENT DATE		
1. QUALIFIED CURRENT YEAR ACQUISITIONS	Cost Claimed	True Tax Value (TTV)
A. POOL NO. 1, Line 13 and 14	\$	\$
B. POOL NO. 2, Line 19 and 20		
C. POOL NO. 3, Line 28 and 29		
D. POOL NO. 4, Line 41 and 42		
2. TOTAL POOL TRUE TAX VALUE (TTV) (add A through D)		\$
3. TOTAL TRUE TAX VALUE (TTV) AT 30% OF COST (If Line 58, Schedule A, Form 103 applies)		\$
4. OTHER (TTV OF CURRENT YEAR "SPECIAL TOOLING") (Form 103-T, Line 2)	\$	
5. TOTAL TRUE TAX VALUE (TTV) (Line 2 or 3 (if 3 applies) plus 4)		\$
6. ASSESSED VALUE AT 100% TTV OF LINE 5		\$
7. CURRENT YEAR TRUE TAX VALUE (TTV) (Line 66 Schedule A, minus Line 59 Schedule A)	\$	
8. ASSESSED VALUE OF CURRENT YEAR (100% of Line 7)		\$
9. LIMIT ON AMOUNT OF ABATEMENT STATED IN RESOLUTION (If applicable)	\$	
10. AMOUNT OF DEDUCTION CLAIMED (lesser of Line 8 or 9)		\$

CURRENT AS WELL AS PRIOR YEAR RETURNS MUST BE ATTACHED TO THIS APPLICATION

SECTION 4					SUMMARY OF CLAIMS (prior years approved claims active and plus current year's claim)				
					10 Year Abatement				
	CURRENT YEAR	20	20	20					TOTALS
Assessed Value Approved *									
x Abatement Percent	100%	80%	80%	70%					
Amount Claimed									
					9 Year Abatement				
	CURRENT YEAR	20	20	20					TOTALS
Assessed Value Approved *									
x Abatement Percent	100%	88%	77%	66%					
Amount Claimed									
					8 Year Abatement				
	CURRENT YEAR	20	20	20					TOTALS
Assessed Value Approved *									
x Abatement Percent	100%	88%	75%	63%					
Amount Claimed									
					7 Year Abatement				
	CURRENT YEAR	20	20	20					TOTALS
Assessed Value Approved *									
x Abatement Percent	100%	85%	71%	57%					
Amount Claimed									
					6 Year Abatement				
	CURRENT YEAR	20	20	20					TOTALS
Assessed Value Approved *									
x Abatement Percent	100%	85%	66%	50%					
Amount Claimed									

* See NOTE on page 3.

5 Year Abatement				
	CURRENT YEAR	20	20	TOTALS
Assessed Value Approved *				
x Abatement Percent	100%	80%	60%	40%
Amount Claimed				
4 Year Abatement				
	CURRENT YEAR	20	20	TOTALS
Assessed Value Approved *				
x Abatement Percent	100%	75%	50%	25%
Amount Claimed				
3 Year Abatement				
	CURRENT YEAR	20	20	TOTALS
Assessed Value Approved *				
x Abatement Percent	100%	66%	33%	
Amount Claimed				
2 Year Abatement				
	CURRENT YEAR	20	20	TOTALS
Assessed Value Approved *				
x Abatement Percent	100%	50%		
Amount Claimed				
1 Year Abatement				
	CURRENT YEAR	20	20	TOTALS
Assessed Value Approved *				
x Abatement Percent	100%			
Amount Claimed				

NOTE

For equipment installed March 1, 2001 and prior:

Assessed Value Approved = 100% X True Tax Value (TTV)

TTV = Adjusted Cost of
Abatible Equipment X First Year TTV% from
Form 103 Schedule A
(Lines 14, 20, 23, or 42)

* If equipment resides in multiple pools, calculate the Assessed Value Approved for each pool.

For equipment installed March 2, 2001 and after:

Assessed Value Approved = 100% X True Tax Value (TTV)

TTV = Adjusted Cost of
Abatible Equipment X Current Year TTV% from
Form 103 Schedule A

* If equipment resides in multiple pools, calculate the Assessed Value Approved for each pool.

* See NOTE.

SECTION 5 USE OF EQUIPMENT CLAIMED	
Is any of the equipment claimed being used to dispose of hazardous waste by converting it into a useful product?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, has the taxpayer been convicted of a violation under IC 13-7-13-3 or IC 13-7-13-4; or subject to an order or a consent decree for property located in Indiana?	<input type="checkbox"/> Yes <input type="checkbox"/> No

SECTION 6 TAXPAYER SIGNATURE	
I hereby certify that the representations on this application are true and correct.	
Authorized signature	Date signed

SECTION 7 AUDITOR SIGNATURE	
Date certification filed	Date signed
Signature of County Auditor	

Send duplicate copy to the Department of Local Government Finance within ten (10) days of receipt.

**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51784 (504)

Prescribed by the Department of Local Government Finance

**FORM
SB - 1 / PP****INSTRUCTIONS:**

1. This statement must be submitted to the body designating the economic revitalization area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987 and areas designated after July 1, 1987 require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to installation of the new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment, **BEFORE** a deduction may be approved.
3. To obtain a deduction, Form 322 ERA/PPME and/or Form 322 ERA/PP Other, must be filed with the county auditor. Form 322 ERA/PPME and/or Form 322 ERA/PP Other must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment becomes assessable, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991 must submit Form CF-1 annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. The schedules established under IC 6-1.1-12.1-4(d) and IC 6-1.1-12.1-4.5(e) effective July 1, 2000 apply to any statement of benefits filed on or after July 1, 2000. The schedules effective prior to July 1, 2000 shall continue to apply to those statement of benefits filed before July 1, 2000.

SECTION 1 TAXPAYER INFORMATION											
Name of taxpayer											
Address of taxpayer (street and number, city, state and ZIP code)											
Name of contact person							Telephone number				
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT											
Name of designating body							Resolution number				
Location of property					County		Taxing district				
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment (use additional sheets if necessary)					ESTIMATED						
					Start Date					Completion Date	
					Manufacturing Equipment						
					R & D Equipment						
					Logist Dist Equipment *						
IT Equipment *											
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT											
Current number		Salaries		Number retained		Salaries		Number additional		Salaries	
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT											
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.			Manufacturing Equipment		R & D Equipment		Logist Dist Equipment *		IT Equipment *		
			Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value	
Current values											
Plus estimated values of proposed project											
Less values of any property being replaced											
Net estimated values upon completion of project											
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER											
Estimated solid waste converted (pounds)						Estimated hazardous waste converted (pounds)					
Other benefits:											
SECTION 6 TAXPAYER CERTIFICATION											
I hereby certify that the representations in this statement are true.											
Signature of authorized representative						Title		Date signed (month, day, year)			

* See IC 6-1.1-12.1-2.3.

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed _____ calendar years * (see below). The date this designation expires is _____.

B. The type of deduction that is allowed in the designated area is limited to:

- | | |
|--|--|
| 1. Installation of new manufacturing equipment; | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Installation of new logistical distribution equipment. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. Installation of new information technology equipment; | <input type="checkbox"/> Yes <input type="checkbox"/> No |

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____.

D. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____.

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ _____ cost with an assessed value of \$ _____.

F. The amount of deduction applicable to new information technology equipment is limited to \$ _____ cost with an assessed value of \$ _____.

G. Other limitations or conditions (specify) _____.

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction after July 1, 2000 is allowed for:

- | | |
|-------------------------------------|--------------------------------------|
| <input type="checkbox"/> 1 year | <input type="checkbox"/> 6 years |
| <input type="checkbox"/> 2 years | <input type="checkbox"/> 7 years |
| <input type="checkbox"/> 3 years | <input type="checkbox"/> 8 years |
| <input type="checkbox"/> 4 years | <input type="checkbox"/> 9 years |
| <input type="checkbox"/> 5 years ** | <input type="checkbox"/> 10 years ** |

** For ERA's established prior to July 1, 2000 only a 5 or 10 year schedule may be deducted.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved: (signature and title of authorized member)	Telephone number	Date signed (month, day, year)
Attested by:	Designated body	

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4.5

**COMPLIANCE WITH STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51765 (5-04)

Prescribed by the Department of Local Government Finance

**FORM
CF-1 / PP**

- INSTRUCTIONS:**
1. Property owners whose Statement of Benefits was approved after June 30, 1991 must file this form with the County Auditor and the local Designating Body to show the extent to which there has been compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
 2. This form must be filed with Form 322 ERA/PPME or Form 322 ERA/PP Other between March 1 and May 15 of each year, unless a filing extension under IC 6-1.1-3.7 has been granted. A person who obtains a filing extension must file between March 1 and the extended due date of each year.
 3. With the approval of the designating body, compliance information for multiple projects may be consolidated on one (1) compliance (CF-1).

SECTION 1 TAXPAYER INFORMATION	
Name of taxpayer	
Address of taxpayer (street and number, city, state and ZIP code)	
Name of contact person	Telephone number

SECTION 2 LOCATION AND DESCRIPTION OF PROPERTY		
Name of designating body		Resolution number
Location of property	County	Taxing district
Description of new manufacturing equipment, or new research and development equipment, or new information technology equipment, or new logistical distribution equipment to be acquired.		Estimated starting date
		Estimated completion date

SECTION 3 EMPLOYEES AND SALARIES	As Estimated on SB-1	Actual
Current number of employees		
Salaries		
Number of employees retained		
Salaries		
Number of additional employees		
Salaries		

SECTION 4 COST AND VALUES	Manufacturing Equipment		R & D Equipment		Logist Dist Equipment		IT Equipment	
As Estimated on SB-1	Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value
Values before project								
Plus: Values of proposed project								
Less: Values of any property being replaced								
Net values upon completion of project								
Actual	Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value	Cost	Assessed Value
Values before project								
Plus: Values of proposed project								
Less: Values of any property being replaced								
Net values upon completion of project								

NOTE: The COST of the property is confidential pursuant to IC 6-1.1-12.1-5.6 (d).

SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER	As Estimated on SB-1	Actual
Amount of solid waste converted		
Amount of hazardous waste converted		
Other benefits:		

SECTION 6 TAXPAYER CERTIFICATION		
I hereby certify that the representations in this statement are true.		
Signature of authorized representative	Title	Date signed (mo., day, yr.)

FOR USE OF THE DESIGNATING BODY

INSTRUCTIONS: (IC 6-1.1-12.1-5.9)

1. Within forty-five (45) days after receipt of this form, the designating body may determine whether or not the property owner has substantially complied with the Statement of Benefits.
2. If the property owner is found NOT to be in substantial compliance, the designating body shall send the property owner written notice. The notice must include the reasons for the determination and the date, time and place of a hearing to be conducted by the designating body. If a notice is mailed to a property owner for new manufacturing equipment and / or research and development equipment and/or logistical distribution equipment and/or information technology equipment, a copy of the written notice shall be sent to the Department of Local Government Finance.
3. Based on the information presented at the hearing, the designating body shall determine whether or not the property owner has made reasonable effort to substantially comply with the Statement of Benefits.
4. If the designating body determines that the property owner has NOT made reasonable effort to comply, then the designating body shall adopt a resolution terminating the deduction. The designating body shall immediately mail a certified copy of the resolution to: (1) the property owner; (2) the County Auditor; and (3) the Department of Local Government Finance.

We have reviewed the CF-1 and find that:		
<input type="checkbox"/> the property owner IS in substantial compliance <input type="checkbox"/> the property owner IS NOT in substantial compliance <input type="checkbox"/> other (specify) _____		
Reasons for the determination (attach additional sheets if necessary)		
Signature of authorized member		Date signed (month, day, year)
Attested by:	Designating body	
If the property owner is found not to be in substantial compliance, the property owner shall receive the opportunity for a hearing. The following date and time has been set aside for the purpose of considering compliance.		
Time of hearing <input type="checkbox"/> AM <input type="checkbox"/> PM	Date of hearing	Location of hearing

HEARING RESULTS (to be completed after the hearing)	
<input type="checkbox"/> Approved <input type="checkbox"/> Denied (see instruction 4 above)	
Reasons for the determination (attach additional sheets if necessary)	
Signature of authorized member	
Date signed (month, day, year)	
Attested by:	Designating body

APPEAL RIGHTS [IC 6-1.1-12.1-5.9(e)]
A property owner whose deduction is denied by the designating body may appeal the designating body's decision by filing a complaint in the office of the Circuit or Superior Court together with a bond conditioned to pay the costs of the appeal if the appeal is determined against the property owner.

**CLAIM FOR EXEMPTION OF AIR OR WATER
POLLUTION CONTROL FACILITIES**

State Form 24050 (R7 / 3-04)

Prescribed by Department of Local Government Finance

FORM 103 - P**MARCH 1, 20**

For Assessor's use only

PRIVACY NOTICE: The records in this series are confidential according to I.C. 6-1.1-35-9.**INSTRUCTIONS:** Attach to and file with Form 103.

Name of taxpayer (please type or print)			County
Address where property is located (number and street, city, state, ZIP code)			Taxing district
RETURN OF PERSONAL PROPERTY OF INDUSTRIAL WASTE CONTROL FACILITIES TO ELIMINATE WATER POLLUTION CLAIMED TO BE EXEMPT FROM ASSESSMENT. You must forward a copy of this exemption claim to the Indiana Department of Environmental Management by Registered or Certified Mail. (I.C. 6-1.1-10-10). Pursuant to I.C. 6-1.1-10-10, report below all personal property employed predominantly in the operation of an industrial water treatment system for elimination of water pollution caused by industrial wastes. (See Regulation 16, Rule 11, Section 6)			
MONTH & YEAR ACQUIRED	TAX LIFE	TYPE OF WATER CONTROL FACILITY	TOTAL COST
			\$
TOTAL COST AS SHOWN ON LINE 6, SCHEDULE A, FORM 103			\$
Under the penalties of perjury, I hereby certify that this return to the best of my knowledge and belief, is true, correct and complete; and reports the total cost of all personal property claimed by the taxpayer to be exempt from assessment and taxation pursuant to I.C. 6-1.1-10-10.			
Signature of authorized person		Title	Date
Signature of person preparing return based on all information of which he has any knowledge			

Claim Air Pollution Control Exemption on reverse side.

RETURN OF PERSONAL PROPERTY OF STATIONARY INDUSTRIAL AIR PURIFICATION SYSTEMS CLAIMED TO BE EXEMPT FROM ASSESSMENT - STATE OF INDIANA			
Pursuant to IC 6-1.1-10-13, report below all personal property employed predominantly in the operation of an industrial air purification system for elimination of air contamination caused by industrial wastes. (See Regulation 16, Rule 11, Section 5)			
MONTH & YEAR ACQUIRED	TAX LIFE	TYPE OF AIR CONTROL FACILITY	TOTAL COST
			\$
TOTAL COST AS SHOWN ON LINE 4, SCHEDULE A, FORM 103			\$
Under the penalties of perjury, I hereby certify that this return to the best of my knowledge and belief, is true, correct and complete, and reports the total cost of all personal property claimed by the taxpayer to be exempt from assessment and taxation pursuant to IC 6-1.1-10-13.			
Signature of authorized person		Title	Date
Signature of person preparing return based on all information of which he has any knowledge			

Claim Water Pollution Control Exemption on reverse side.

INFORMATION RETURN OF NOT OWNED PERSONAL PROPERTY

State Form 20000 (R5 / 3-04)

Prescribed by Department of Local Government Finance

FORM 103 - N
SCHEDULE 1

PRIVACY NOTICE

The records in this series are
confidential according to I.C.
8-1.1.35-9

MARCH 1, 20

For Assessor's use only

INSTRUCTIONS: Attach to and file with Form 102 or 103.

Name of person in possession of property (please type or print)	County
Address (number and street, city, state, ZIP code)	Taxing district

Report all personal property held, possessed or controlled on March 1 of the current assessment year, in Schedule I or Schedule II.

SCHEDULE I - ASSESSED TO OWNER ON FORM 102 OR 103

Information return of all personal property which was held, possessed or controlled by this taxpayer but owned and reported for assessment on Form 102 or 103 as of March 1 of the current assessment year by the OWNER. (# Special Tools report on Form 103-T) (See Regulation 16, Rule 2, Section 4 and 5 and Rule 8, Section 3 and 4)

NAME AND ADDRESS OF OWNER	LOCATION OF PROPERTY	DATE OF LEASE	MODEL NUMBER AND DESCRIPTION	QUANTITY	COST (If Known)
Schedule I includes, but is not limited to, the reporting of: Consigned Inventory; Other Inventory; Returnable Containers; Operating Leases;					TOTAL
					0.00

Schedule I includes, but is not limited to, the reporting of:

Consigned Inventory; Other inventory; Returnable Containers; Operating Leases;

and all other property held, possessed or controlled by this taxpayer but owned by another person.

Excluded from Schedule I is:

Personal property subject to Capital Lease - See Schedule II.

Special Tools - See Form 103-T

FORM 103-N	SCHEDULE II	MARCH 1, 20 ____
Name of person in possession of property (please type or print)		County
Address (number and street, city, state, ZIP code)		Taxing district

Report all personal property held, possessed or controlled on March 1 of the current assessment year, in Schedule I or Schedule II.

TO BE ASSESSED AS A CAPITAL LEASE to person holding, possessing or controlling property.
Information return of all personal property which was held, possessed or controlled and reported for assessment on Form 102 or 103 as of March 1 of the current assessment year by this taxpayer but owned by another person. (If Special Tools report on Form 103-T) (See Regulation 16, Rule 2, Section 4 and 5 and Rule 8, Section 3 and 4)

TO BE ASSESSED AS A CAPITAL LEASE TO PERSON IN POSSESSION OF PROPERTY					
NAME AND ADDRESS OF OWNER	LOCATION OF PROPERTY	DATE OF LEASE	MODEL NUMBER AND DESCRIPTION	LINE NO. REPORTED 102 OR 103	COST PER REGULATION #16
TOTAL					0.00

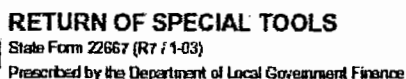
Schedule II includes personal property subject to Capital Lease only.



For assessor's use only

FORM 103 - 0		SCHEDULE II				MARCH 1, 20_____	
Name of owner (please type or print)						County	
Address of owner (number and street, city, state, ZIP code)						Taxing district	
Report all personal property owned by this taxpayer but held, possessed or controlled by another person on March 1 of the current assessment year, in Schedule I or Schedule II. (If Special Tools report on Form 103-T) (See Regulation 16, Rule 2, Sec. 4 and 5 and Rule 8, Sec. 3 and 4)							
TO BE ASSESSED AS A CAPITAL LEASE TO PERSON IN POSSESSION OF PROPERTY							
Information return of all personal property owned by this taxpayer which is classified as a capital lease per Regulation 16, Rule 8, Section 4 and which was reported for assessment as of March 1 of the current assessment year by the person holding, possessing or controlling the property as listed in Schedule II.							
NAME AND ADDRESS OF PERSON POSSESSING PROPERTY	LOCATION OF PROPERTY	DATE OF LEASE	MODEL NUMBER AND DESCRIPTION	LINE NO. REPORTED 102 OR 103	QUANTITY	COST PER REGULATION #16	
						TOTAL	0.00

Schedule II includes personal property subject to Capital Lease only.



**FORM
103-T**

PRIVACY NOTICE

The records in this series are confidential according to IC 6-1.1-35-9.

MARCH 1, 20

For assessing officials only

INSTRUCTIONS: Attach and file with Form 103 Long.

Name of owner (please print or type)				County	
Address where property is located (number and street, city ZIP code)				Taxing district	
SECTION I		REPORT OWNED SPECIAL TOOLS ON THIS SIDE INCLUDE - TOOLS, DIES, JIGS, PATTERNS, FIXTURES, ETC., OWNED		SCHEDULE I	
LINE Round all figures to the nearest dollar.					
1	Total Cost of special tools, dies, jigs, etc. (50 IAC 4.2-6-2)				\$
NOTE: Divide Total Cost on Line (1) above into two categories as noted below.					
2	CATEGORY I	Total Cost (Acquisitions since last assessment date)	\$	X 30% =	\$ 0.00
3	CATEGORY II	Total Cost (Acquisitions prior to last assessment date)	\$	X 3% =	\$ 0.00
4	Total True Tax Value, Special Tools - to Form 103, Section A, Line 60				\$ 0.00

SECTION II - ASSESSED TO OWNER ON FORM 103

Information return of all special tools owned and reported for assessment on Form 103 as of March 1 of the current assessment year by this taxpayer but which were held, possessed or controlled by another person. (Attach list if necessary.)

NAME AND ADDRESS OF PERSON POSSESSING PROPERTY	LOCATION OF PROPERTY	DATE OF MANUFACTURE	DESCRIPTION	DATE DELVD TO POSSESSOR	QUANTITY	COST PER REGULATION #16
TOTAL						0.00

INSTRUCTIONS: Line (1) Total Cost of all special tools is defined in 50 IAC 4.2-8-2 (b).

FORM 103-T	SCHEDULE II	MARCH 1, 20 _____
REPORT SPECIAL TOOLS POSSESSED, BUT NOT OWNED ON THIS SIDE INCLUDE - TOOLS, DIES, JIGS, PATTERNS, FIXTURES, ETC., NOT OWNED		
Name of person in possession of property (please print or type)		County
Address where property is located (number and street, city, ZIP code)		Tax district
LINE	Round all figures to the nearest dollar.	
1	Total Cost of special tools, dies, jigs, etc. not owned (if known) (50 IAC 4.2-6-2)	\$

ASSESSED TO OWNER ON FORM 103						
Information return of all special tools not owned and reported for assessment on Form 103 as of March 1 of the current assessment year by the owner but which were held, possessed or controlled by this taxpayer. (Attach list if necessary)						
NAME AND ADDRESS OF OWNER	LOCATION OF PROPERTY	DATE OF MANUFACTURE	DESCRIPTION	DATE ACQUIRED	QUANTITY	COST PER REGULATION #16
TOTAL						0.00

**SCHEDULE OF ADJUSTMENTS TO BUSINESS
TANGIBLE PERSONAL PROPERTY RETURN**

State Form 12980 (F9 / 3-04)

Prescribed by Department of Local Government Finance

FORM 106

MARCH 1, 20

For Assessor's use only

PRIVACY NOTICE: The records in this series are confidential according to I.C. 6-1.1-35-9.

INSTRUCTIONS: Please file in duplicate with Form 102 or 103. Assessor shall forward the duplicate return form directly to the Department of Local Government Finance immediately upon the determination by the assessor of the adjustments allowed.

Name of taxpayer (please type or print)		Taxing district
Name under which business is conducted		
Address where property is located (number and street, city or town)		Township
		ZIP code
<p>IF A TAXPAYER CLAIMS ANY ADJUSTMENT ON THE VALUE OF HIS PROPERTY, THIS FORM MUST BE FILED IN DUPLICATE, EXPLAINING ON THE REVERSE SIDE IN DETAIL THE JUSTIFICATION FOR THE ADJUSTMENT, DESCRIBING THE ITEM OR ITEMS AFFECTED, AND THE BASIS OR METHOD USED IN ARRIVING AT THE AMOUNT CLAIMED. NO ADJUSTMENT WILL BE ALLOWED WITHOUT A VALID BASIS. FAILURE OF THE TAXPAYER TO GIVE THE DETAILED EXPLANATION REQUESTED ON THE FORM MAY RESULT IN A DENIAL OF THE ADJUSTMENT BY THE ASSESSOR. IF THE SPACE PROVIDED IS NOT SUFFICIENT, ATTACH A SEPARATE SHEET OR SHEETS. THE ASSESSOR MUST ENTER THE AMOUNT OF ADJUSTMENT ALLOWED AND IMMEDIATELY THEREAFTER FORWARD A COPY TO THE DEPARTMENT OF LOCAL GOVERNMENT FINANCE.</p>		
INVENTORY		
<p>(1) Adjust book inventory to March 1, if necessary - Regulation 16, Rule 5, Section 6 (2) Add unrecorded inventory - Regulation 16, Rule 5, Section 1 and 8 (3) Average inventory adjustment, if elected - Regulation 16, Rule 5, Section 9 (4) Alternative Inventory Method Computation, if elected (Manufacturers or Processors Only) - Regulation 16, Rule 5, Section 7 (5) Adjustment to "First in First Out" - Regulation 16, Rule 5, Section 4 (a) (6) Add Manufacturing Overhead not included in inventory - Regulation 16, Rule 5, Section 4 (b) (7) Add Wholesalers and Retailers Allocable Expenses not included in inventory - Regulation 16, Rule 5, Section 4 (c) (8) Add Freight in not included in inventory - Regulation 16, Rule 5, Section 4 (d) (9) Royalties, Editorial, License or Copyright Fees not included in inventory - Regulation 16, Rule 5, Section 4 (f) (10) Taxes (other than state, local and foreign income taxes) not included in inventory - Regulation 16, Rule 5, Section 4 (g) (11) Deduct Qualifying Automobiles Used For Driver Education - Regulation 16, Rule 12, Section 12 (12) Deduct inventory recorded but not received (13) Deduct cash, trade and purchase discounts, if included in inventory - Regulation 16, Rule 5, Section 4 (d) (14) Adjustment from standard cost to actual cost, if manufacturer - Regulation 16, Rule 5, Section 4 (e) (15) Deduct Abnormal Inventory Obsolescence, only if qualified - Regulation 16, Rule 5, Section 14</p>		
DEPRECIABLE AND OTHER		
<p>(16) Adjust cost to federal tax basis - Regulation 16, Rule 4, Section 4 (17) Permanently retired equipment (Deduct total cost and report scrap value on Form 103, Schedule A, Line 8f) Regulation 16, Rule 4, Section 3 (c) and (d) (18) Deduct abnormal depreciable asset obsolescence, only if qualified - Regulation 16, Rule 4, Section 8 SPECIAL TOOLING MUST BE COMPUTED ON FORM 103-T. (Regulation 16, Rule 6, Section 2) COMMERCIAL AIRCRAFT AND COMMERCIAL BUSES MUST BE COMPUTED ON FORM 103-I (Regulation 16, Rule 10)</p>		
Mandatory Adjustments- Lines (1), (2), (5) thru (10) and (12) thru (18). Allowable Adjustments - Lines (3) and (4).		
Show and Explain All Calculations on Reverse Side.		

SIGNATURE AND VERIFICATION		
I hereby certify to the best of my knowledge and belief that the facts stated as bases for the adjustments claimed are true and complete and that the adjustments claimed hereon are required to produce true tax value of the property affected as defined by Regulation 16, Rule 1, Section 1 (f).		
Signature of authorized person	Title	Date
Signature of person preparing return based on all information of which he has any knowledge		

EXPLANATION OF ADJUSTMENT
(If more space is needed, attach additional sheet or sheets)

	INVENTORY	DEPRECIABLE AND OTHER	TOTAL
Total Adjustment Claimed by Taxpayer			
Total Adjustment Allowed by Assessor			



**PETITION FOR REVIEW OF DEPARTMENT OF
LOCAL GOVERNMENT FINANCE ACTION**

State Form 51104 (10-02)

Prescribed by the Indiana Board of Tax Review

FORM 139

**THIS PETITION MUST BE FILED WITH THE
INDIANA BOARD OF TAX REVIEW**

Petition Number _____

READ IMPORTANT FILING INFORMATION BEFORE COMPLETING THIS FORM

FILING INFORMATION

FILE THIS ORIGINAL PETITION WITH THE INDIANA BOARD OF TAX REVIEW. FILE ONE COPY WITH THE COUNTY ASSESSOR, ONE COPY WITH THE TOWNSHIP ASSESSOR, AND ONE COPY WITH THE DEPARTMENT OF LOCAL GOVERNMENT FINANCE. Please attach certificate of service or other proof of filing.

WHO MAY FILE THIS FORM: To determine if you may file this form, please refer to the following statutes: IC 6-1.1-8, IC 6-1.1-12.1, IC 6-1.1-14, IC 6-1.1-16, or IC 6-1.1-26-2.

FILING DEADLINE: The Indiana Board of Tax Review will review the action of the Department of Local Government Finance if this petition is filed within 45 days after the Notice of Department of Local Government Finance Action is given to the taxpayer. Ind. Code 6-1.5-5-1.

MULTIPLE PARCELS OR TYPES OF PROPERTY: Petitioners wishing to appeal more than one parcel must file a separate petition form for each parcel. Petitioners wishing to appeal both personal and real property assessments for the same parcel must complete a separate petition form for each type of property. Please attach a list of related parcels currently under appeal.

ATTACHMENT TO THIS PETITION: A copy of the Notice of Department of Local Government Finance Action must be attached to this petition.

GENERAL INSTRUCTIONS

1. Please print or type.
2. The petitioner must complete Section I, Section II, and Section III of this petition.
3. The petition must be signed by the petitioner or an authorized representative. A representative must attach a notarized power of attorney unless the representative is a duly authorized employee or corporate officer of the taxpayer.
Is a power of attorney attached? ☐ Yes ☐ No
4. Certified Tax Representatives must attach a Tax Representative Disclosure Statement. 50 IAC 15-5-5.
5. Notify the County Assessor and the Indiana Board of Tax Review of any change in your mailing address or telephone number subsequent to the filing of this petition.

FAILURE TO FOLLOW INSTRUCTIONS: If the petitioner does not comply with the instructions for completing this petition, the Indiana Board of Tax Review will return the form to the petitioner and will describe the defect to the petitioner. The petitioner will then have 30 days from the date of notice of defect to correctly complete the form and resubmit it to the Indiana Board of Tax Review. If the resubmitted form does not comply with the instructions for completing the form, the Indiana Board of Tax Review will deny the petition.

As a result of filing this petition, the assessment may increase, may decrease, or may remain the same.

Check the type of property under appeal (check only one): ☐ Real ☐ Personal ☐ State Distributable

Is this property currently under appeal for another tax year? ☐ Yes ☐ No

If yes, indicate year(s) and type of appeal(s): _____

This appeal is for the following type of action of the Department of Local Government Finance:

- ☐ Assessment of Public Utility (IC 6-1.1-8)
- ☐ Deduction for Property in Economic Revitalization Area (IC 6-1.1-12.1)
- ☐ Review of Assessment/Equalization (IC 6-1.1-14)
- ☐ Assessment of Personal Property (IC 6-1.1-16)
- ☐ Refund for Erroneous or Excessive Tax Payment (IC 6-1.1-26-2)
- ☐ Other. Specify _____

SECTION I. PROPERTY AND PETITIONER INFORMATION			
County	Township	Parcel or Key number (for real property)	
Address of property		City	ZIP Code
Legal description provided on Form 11 or Property Record Card (for real property), or business name (for personal property)			Assessment year under appeal MARCH 1, _____
Name of property owner		Area code and telephone number of property owner	
Address of property owner		City	State ZIP Code
Name of authorized representative (if different from taxpayer)		Area code and telephone number of authorized representative	
Address of authorized representative		City	State ZIP Code

[illegible]

SECTION III: SIGNATURES	
PETITIONER, TAXPAYER, OR DULY AUTHORIZED EMPLOYEE OR CORPORATE OFFICER OF THE TAXPAYER I certify that my entries in SECTION I and SECTION II are accurate to the best of my knowledge and belief. I also understand that by appealing my assessment, my assessment may increase, may decrease, or may remain unchanged.	
Signature of petitioner, taxpayer or duly authorized officer	Date signed (month, day, year)
Printed or typed name of petitioner, taxpayer or duly authorized officer	Title (please print or type)
TAX REPRESENTATIVE I certify that the entries in SECTION I and SECTION II are accurate to the best of my knowledge and belief. I certify that I have viewed this property, the property record card, and the Form 115, and that I have the authority to file this appeal on behalf of the taxpayer. I certify that I have made all necessary disclosures to my client, pursuant to 50 IAC 15-5-5.	
Signature of tax representative	Date signed (month, day, year)
Printed or typed name of tax representative	Certification Number
ATTORNEY REPRESENTATIVE I certify that the entries in SECTION I and SECTION II are accurate to the best of my knowledge and belief.	
Signature of attorney representative	Date signed (month, day, year)
Printed or typed name of attorney representative	Attorney number

FORM 139 CHECKLIST
<div style="display: flex; flex-direction: column; gap: 5px;"> <div><input type="checkbox"/> I have reviewed <u>and attached</u> the Notice of Local Government Finance Action</div> <div><input type="checkbox"/> If I am appealing both real property and personal property assessments, I have filed separate petitions for each type of property</div> <div><input type="checkbox"/> I have checked the type of property under appeal (real, personal or state distributable) on page 1</div> <div><input type="checkbox"/> I have identified any other pending appeals for this parcel, on page 1</div> <div><input type="checkbox"/> I have identified the type of Department of Local Government Finance action I am appealing, on page 1</div> <div><input type="checkbox"/> I have completed Section I, Section II, and Section III of this petition</div> <div><input type="checkbox"/> I have listed SPECIFIC REASONS for the requested change in Section II of this petition</div> <div><input type="checkbox"/> If this petition is being filed by an authorized tax representative, a duly executed power of attorney and Tax Representative Disclosure Statement is attached</div> <div><input type="checkbox"/> I have signed this petition</div> <div><input type="checkbox"/> If there are other related parcels currently under appeal, a listing of these parcels has been attached</div> </div>